GARLAND

City of Garland Annual Comprehensive Financial Report

for the year ended
September 30, 2024

CITY OF GARLAND, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2024

CITY COUNCIL

Scott LeMay, Mayor
Jeff Bass, District 1
Kris Beard, District 2
Ed Moore, Mayor Pro Tem, District 3
B. J. Williams, District 4
Margaret Lucht, Deputy Mayor Pro Tem, District 5
Carissa Dutton, District 6
Dylan Hedrick, District 7
Chris Ott, District 8

CITY MANAGER

Judson Rex

MANAGING DIRECTOR, FINANCIAL SERVICES

Matt Watson

Prepared by

Financial Services Department

CITY OF GARLAND, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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March 12, 2025

Citizens of the City of Garland
Garland, Texas

Dear Citizens:

The Annual Comprehensive Financial Report (ACFR) of the City of Garland, Texas (the City), for the year ended September 30, 2024 is hereby submitted. The report is published to provide detailed information concerning the financial condition of the City to our citizens and the financial community, as well as other interested parties. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City, on a government-wide and fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Governmental Accounting Standards Board requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately after the independent auditors' report.

GENERAL INFORMATION – CITY OF GARLAND

The City of Garland is located northeast of Dallas and is one of the largest communities in the Dallas/Fort Worth Metroplex. As the 13th largest city in Texas, Garland covers 57 square miles and is bordered by three major freeways: Interstate 635, Interstate 30, and State Highway 190 (President George Bush Turnpike).

The City is a political subdivision and municipal corporation of the State, duly organized and existing under the laws of the State, including the City's home rule Charter. The City was incorporated in 1891 and first adopted its Home Rule Charter in 1951. The City operates under a Council/Manager form of government with a City Council comprised of the Mayor and eight Council members. The City Manager is the chief administrative officer for the City.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of Garland as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The government provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and infrastructure; recreational activities and cultural events; electric, water, and wastewater utility services; golf course facilities; stormwater facilities; and sanitation collection services.

Discretely presented component units are legally separate entities and not part of the primary government's operations. Accordingly, the Garland Housing Finance Corporation, the Garland Economic Development Authority, and the Garland Health Facilities Development Corporation are not included in the primary government. In accordance with GASB Statement No. 61, "The Financial Reporting Entity: Omnibus – an amendment of GASB Statement No. 14 and No. 34", the City determined that the Garland Health Facilities Development Corporation and the Garland Economic Development Authority, which were discretely presented as component units in the City's financial statements in prior years, are no longer necessary to be reported within the City's financial statements and have been excluded from the City's FY2024 Annual Comprehensive Financial Report. The Garland Independent School District is excluded from this report because it is a separate governmental entity with a separately elected board of trustees.

The Garland Foundation for Development (GFFD) was organized to promote economic development and other activities within the Garland Community. The City Council serves as the board members for GFFD, and the City Manager is the Executive Director. GFFD is reported as a blended component unit of the non-major governmental fund.

The Garland Public Facility Corporation (GPFC) was created as a public facility corporation for the purpose of assisting the City in financing, refinancing, or providing public facilities. The Mayor and City Council serve as the board members of the GPFC. GPFC is reported as a blended component unit of the non-major governmental funds.

DEMOGRAPHICS

Garland's population totaled 246,132 in the 2020 census count, with current estimates placing the population at approximately 250,099. Garland has an estimated 87,698 housing units and an employment base of approximately 130,476. Garland is diverse in ethnicity and education. Most recent estimates place the city's population at 44.0% white, 15.6% African American, 0.7% American Indian or Alaska Native, 10.9% Asian, 7.0% Some Other Race, and 20.7% two or more races. An estimated 44.5% is Hispanic/Latino (of any race). More than 78.6% of the city's adult population is educated above the high school level or higher, with more than 24.1% of the population possessing a bachelor's degree or higher. Per the Garland Economic Development Office, the 2024 estimated average household income in Garland was $89,165. Per the Dallas Central Appraisal District, the average market value for detached single-family residences in Garland for 2024 is $322,000.

LOCAL ECONOMY AND DEVELOPMENT

Garland is known for its economic and industrial base, which consists of more than 5,000 businesses, including approximately 300 manufacturing companies. The City has been recognized as a manufacturing community since the 1940s, and numerous Fortune 500 corporations, along with many others, have selected Garland as a home base for their strategic operations. The following is a partial list of companies that maintain operations in Garland:

Arrow Fabrication Tubing	*General Dynamics Corp.*	*Plastipak Packaging*
Batory Foods	*Kirchhoff Automotive*	*Quest USA*
Cosmax NBT	*Kraft Heinz Food Co.*	*Resistol Hats*
Daisy Brands, Inc.	*Mapei Corporation*	*Sherwin-Williams*
Ecolab, Inc.	*NTT Data Center*	*US Food Services*
Epiroc Drilling Solutions	*Packaging Corp. of America*	*XPO Logistics*

Scout Cold Logistics, a provider of temperature-controlled infrastructure and cold storage solutions, is redeveloping a 1.09 million-square-foot facility at McCree Road in Southeast Garland. The $41.8 million project involves demolishing a 1970s-build dry storage facility and constructing a state-of-the-art, 132,000 square-foot warehouse into advanced cold storage through an adaptive reuse project, adding over 250,000 square feet of class-A cold storage space. The redevelopment project aims to bolster the fresh food supply chain in the DFW metroplex and the southwestern United States.

Garland's industrial vacancy rate is currently 3.5% and continues to remain competitive after nearly three years of low vacancies. This trend has persisted while sustaining roughly 10% year-over-year rent growth for 2023 in

industrial properties. Several infill and redevelopment projects are underway in Garland, with announcements expected in the coming months. The DFW industrial market continues to be competitive, and Garland continues to lead in industrial redevelopment.

In response to the rapidly increasing data traffic demands, and its central location, the DFW market is emerging as one of the largest data center markets in the nation. This growth has spurred ongoing discussions about the future of data center development in Garland. Many existing facilities have expanded; NTT Data has plans for 3 additional expansions, Digital Realty has begun construction of a 173,000 square foot building, and Stream Data Center completed a 276,742 square foot expansion. These expansions demonstrate Garland's Importance in the emerging data center market. The area along the President George Bush Turnpike has continued to experience significant commercial development, with numerous new retail and multifamily developments recently completed.

In response to the ongoing demand for urban infill, the City of Garland has been actively working to bring mixed-use development projects aimed at revitalizing key areas across the city. One of these efforts is the Urban Village of Rosehill, a project located along the I-30 corridor. The first phase of this development will introduce 22,000 square feet of restaurants, retail, office space, a fitness center, a clubhouse, and 196 multi-family units. The second and third phases will further increase density by adding 58 townhomes and 104 additional multi-family units.

In May 2019, Garland citizens approved a bond package that allocates $46.0 million for economic development to promote and support investment and revitalization across the city. This funding has enabled City to acquire and assemble larger parcels for significant reinvestment. Maximizing the impact of these funds, the City completed an Economic Development Strategic Plan with the help of Ninigret Partners. It included a comprehensive analysis of the strengths, weaknesses, opportunities, and challenges facing Garland's economy and outlined future goals.

To supplement the recent redevelopment of the City's downtown, the Economic Development Department has participated in several exciting projects. One such project is the redevelopment of 500 Main St. Garland, which saw the renovation/retrofit of a prior historic furniture store into a new restaurant. These efforts have led to two new businesses taking residence in the place of the prior furniture store, both of which have attracted additional foot traffic to the Downtown square. Further retail and residential redevelopment in the downtown area are underway and will be announced in the coming months.

Additionally, in 2023, the City completed a Streetscape Masterplan for the newly formed Valoris Healthpark surrounding the Garland VA Medical Center. That Streetscape Masterplan has since been adopted and the City has expanded TIF 3 to include the medical district. Collaborating with studio Outside, city staff engaged multiple stakeholders, including private property owners, the VA, and DART, to develop the initial masterplan. The masterplan

includes a proposed wellness park and community hospital for the area. Further enhancing the district, muralist Haylee Ryan was commissioned to create a mural on 601 Clara Barton as part of a partnership with local property owners in an effort to beautify and revitalize the district. The City is searching for a developer/operator for the community hospital and medical district.

Approximately 3.0% of Garland is made up of undeveloped greenspace. As a response to the increasingly built-out nature of the City, the City of Garland is committed to redevelopment, adaptive reuse projects, and building infrastructure to support urban infill and densification. Key initiatives include the development and implementation of a façade improvement program and the Economic Development Incentive programs. The Economic Development Department continues to work with developers and employers to bring high-quality development and opportunities for the City's residents.

ECONOMIC CONDITIONS AND OUTLOOK

Garland's property tax base reached $26.8 billion in 2024, an increase of $2.7 billion (11.2%) from last year's valuation. New construction accounts for 1.2% of the increase in property values, while existing properties contributed 10.0%. Senate Bill (SB)2, which limits growth in property tax revenues, has reduced the Operating & Maintenance portion of the Tax Rate by 2.37 cents per $100 of valuation ((7.5%), resulting in foregone revenue of $6.3 million for FY 2024-25 and $27.5 million of foregone revenue since SB2 went into effect. Property tax revenue in the General Fund is projected to increase $1.5 million.

While the General Fund's revenue growth is impressive, inflation has continued to put pressure on almost every category of City expenditures. The job market remains highly competitive. Increased service calls bring a need for additional staffing in Fire. In addition, the successful completion of bond projects comes with the need for expanded operating and maintenance expenses. Finally, given the current economic uncertainty, prudent levels of reserves are needed to ensure financial stability should challenges materialize.

The priorities include:

- Ensure any new facilities resulting from past bond programs are adequately staffed and funded to operate at expected service levels.
- Maintain competitive position with compensation and merit increases.
- Enhance infrastructure and maintenance funding to be able to adequately respond to the results of the street and alley condition assessment and other long-term maintenance initiatives.
- Maintain high levels of reserves to respond to anticipated and unforeseen financial challenges.

FINANCIAL INFORMATION

Accounting and Budgetary Controls

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with revenues being recorded when available and measurable, and expenditures being recorded when the liability is incurred. Proprietary operations are maintained on a full accrual basis.

Budgetary control is maintained at the fund level, and encumbrances are entered at the time a purchase order is issued. Outstanding encumbrance's lapse at fiscal year-end and the subsequent year's budget is amended to reflect these outstanding encumbrances. Unspent and unencumbered appropriations lapse at the end of the fiscal year.

The budgetary process begins each year with the preparation of both current and proposed year revenue estimates by the City's revenue managers and the Budget Director. Expenditure budgets are then developed using a *target budgeting* approach. Departments base their initial budget submission on their allocated share of the projected resources, but they can make requests for additional items which the City Manager or City Council may choose to fund. This target budget methodology results in a balanced budget presented to Council. The Proposed Budget is reviewed extensively by the City Council, and the process includes a Charter-mandated public hearing and work sessions that are open to the public. The City Charter requires adoption of the City budget by no later than September 20th. Activities of the general, debt service, community development block grant, housing assistance, neighborhood services, police training, hotel/motel, narcotic seizure, Treasury Department Grants, TIF, and internal service funds are included in the annual appropriated budget.

While the budget is developed and controlled at the departmental level, appropriations are set at the fund level. An ordinance establishes the budget for operating expenses, debt services payments, and interfund transfers, while a separate ordinance establishes the property tax rate.

Changes to approved expenditures are incorporated into the current year budget throughout the year in the form of budget amendments approved by Council. These amendments, as well as updated revenues and other revised expenses, become part of the Revised Budget that is presented to Council concurrent with the Proposed Budget.

During the course of the fiscal year, each department director monitors expenditure controls with overall review exercised by the Budget Director and the City Manager. Monthly expenditure reports are distributed based on the automated accounting system that provide year-to-date expenditure totals for each line item compared to the amount expended at that point in time in the prior year.

Constant review and oversight of revenue and expenditure trends is maintained with specific responsibility assigned to department directors, revenue managers, and the Budget Director. Recommendations for corrective action are made to the City Manager (and to the City Council, if appropriate) as needed to ensure the integrity of the Adopted Budget.

Management of the City is responsible for establishing and maintaining an internal control system designed to ensure that the City's assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in accordance with generally accepted accounting principles. The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived; and the evaluation of costs and benefits requires estimates and judgments by management.

As a recipient of Federal and State financial awards, the City is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations relating to these programs. Internal controls are subject to periodic evaluation by management, the City's Internal Audit Department, and independent auditors.

As part of the City's single audit, the independent auditors make tests to determine the adequacy of the internal controls, including that portion related to Federal financial awards programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the single audit are published in a separate report to management.

Long-Term Financial Planning

In order to remain financially strong and provide a framework for prudent financial management, the following financial controls are maintained annually:

- A multi-year financial forecast is prepared, projecting revenues and expenditures for all major operating funds.

- A multi-year debt service forecast is prepared to project the impact of future debt service payments on the tax rate.
- Rates, fees, and charges for services are reviewed and adjusted as necessary to respond to changing financial circumstances.
- Insurance coverages are examined to ensure that policy limits are adequate and in compliance with revenue bond covenants.
- Debt is not used to fund current expenditures.
- Bonds are sold to finance long-term capital projects.
- Total tax-supported debt is maintained so as not to exceed five percent (5%) of the total assessed valuation of taxable property.
- An ending "fund balance" of 30 days of budget-based operating expenditures in the General Fund is maintained as a minimum.
- An ending "fund balance" of 45 days of budget-based operating expenditures is maintained in the Enterprise Funds as a minimum.
- Internal service funds are maintained to be fully self-supporting to the extent that any retained earnings deficit is recovered in the subsequent fiscal year through increased charges to benefiting departments.

OTHER INFORMATION

Independent Audit

According to Article IV, Section 7, of the City Charter, an annual audit to be performed by independent, certified public accountants, is required to be made of the financial records of the City. Weaver and Tidwell, LLP was selected in July 2019 by the City Council to perform the annual audits. In addition to meeting the requirements set forth in the Charter, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1996 and related Uniform Guidance. The independent auditor's report on the basic financial statements is included in the financial section of this report. The independent auditor's report related specifically to the single audit will be issued in a separate document.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Garland for its Annual Comprehensive Financial Report for the Fiscal Year ended September 30, 2023. The Certificate of Achievement is a prestigious national award

that recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a one-year period. The City of Garland has received a Certificate of Achievement for the last forty-two consecutive years. We believe that our current report continues to conform to the Certificate of Achievement Program requirements, and we will submit it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of this Annual Comprehensive Financial Report was accomplished with the professional and dedicated efforts of the staff of the Financial Services Department. Appreciation is also extended to those individuals in other departments who contributed, directly or indirectly, to the development of this report.

In closing, we also want to thank the Mayor and the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible manner.

Respectfully submitted,

Judson Rex
City Manager

Matt Watson
Chief Financial Officer

Kathryn Ritchie
Finance Administrator

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Garland
Texas

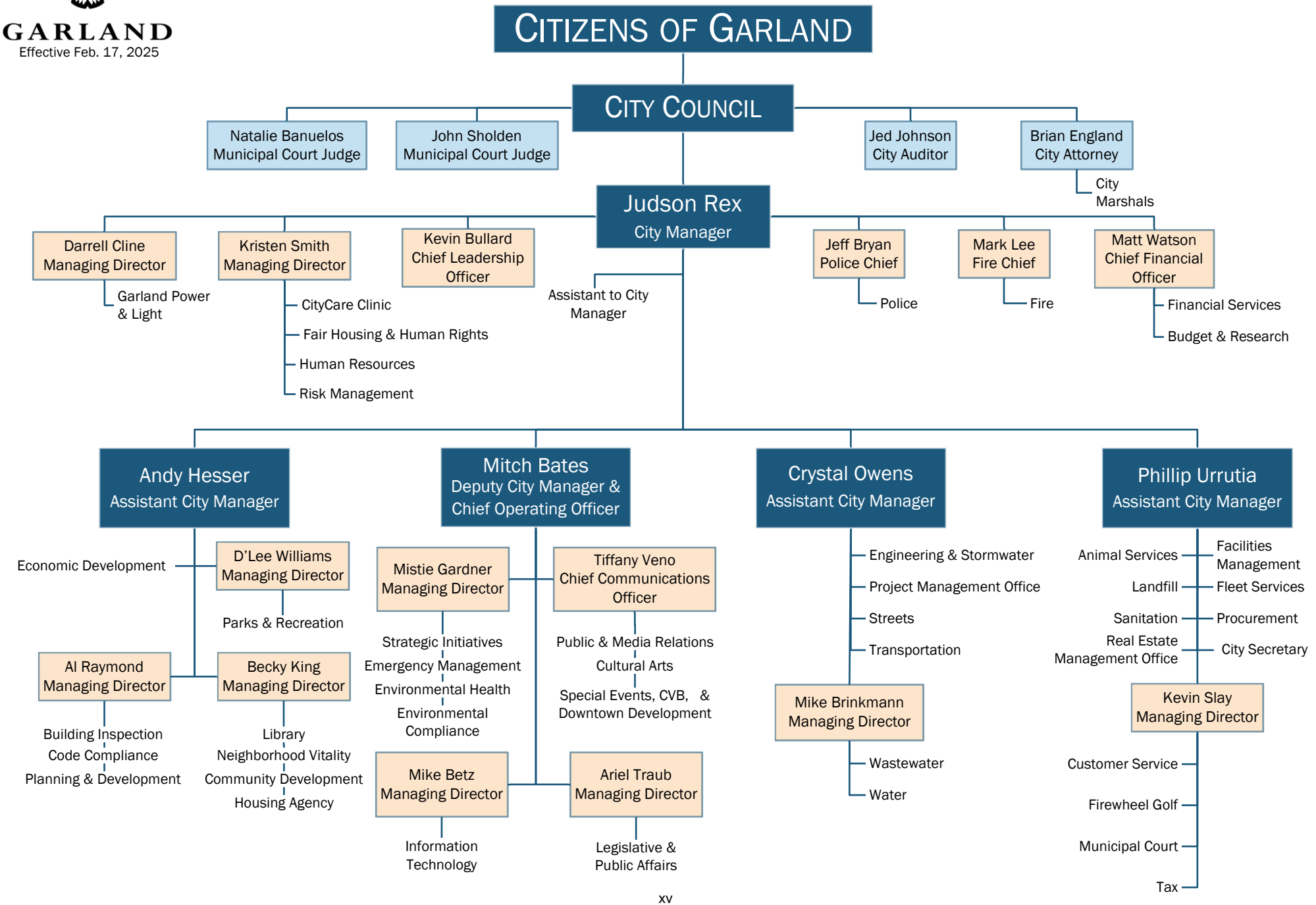
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Executive Director/CEO

GARLAND

Effective Feb. 17, 2025



GARLAND

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2300 North Field Street, Suite 1000
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Independent Auditor's Report

To the Honorable Mayor, Members of the City Council and City Manager
City of Garland, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Garland (City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Garland Housing Finance Corporation (GHFC), the discretely presented component unit of the City of Garland as of and for the year ended December 31, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the GHFC is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable Mayor, Members of the City Council and City Manager
City of Garland, Texas

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
March 12, 2025

GARLAND

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City of Garland, Texas
Management's Discussion and Analysis
(Unaudited)

As management of the City of Garland, we offer readers of the City of Garland's financial statements this narrative overview and analysis of the financial activities of the City of Garland for the fiscal year ended September 30, 2024. All amounts, unless otherwise indicated, are expressed in dollars.

Financial Highlights

- The assets and deferred outflows of the City of Garland (the City) exceeded its liabilities and deferred inflows at the close of the fiscal year by $1,566,504,413. Ending net position for governmental activities amount to $580,573,119 and the ending net position for the business type activities amount to $985,931,294.
- Net position for the governmental activities increased $88,337,315 and the net position for the business type activities increased $87,462,663 for a total increase in the City's net position of $175,799,978. Contributing factors related to the increase in governmental activities and in business type activities are discussed in the governmental activities and business type activities sections of this overview and analysis.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $289,545,895. Of the combined ending fund balances, $70,588 is nonspendable, $191,828,625 is restricted, $34,840,200 is committed, $26,956,995 is assigned, and $35,849,487 is unassigned.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the City's assets, deferred inflows/outflows, and liabilities with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, landfill, economic development, and culture and recreation. The business-type activities of the City include electric, water, sewer, golf, heliport, storm water, parks performance, and sanitation operations.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate non-profit corporation for which the City is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 28-29 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into two categories: governmental funds and proprietary funds. The City also maintains a fiduciary trust fund for the other post-employment benefits (OPEB).

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare it to the information presented for the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the balance sheet and the statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seventeen individual governmental funds. The General Fund, the Debt Service Fund, and the Capital Projects Fund, are considered to be major funds. Major funds are presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided as required supplementary information for the General Fund to demonstrate compliance with this budget.

The basic governmental funds financial statements can be found on pages 30-33 of this report.

Proprietary funds

The City maintains two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric, water, sewer, golf, heliport, storm water management, parks performance, and sanitation operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for group health, self-insurance, long-term disability insurance, fleet, vehicle replacement, information technology, facilities management, warehouse, and customer service operations. The internal service funds are allocated between the governmental and business-type activities based on the level of support each internal service provides to a governmental and business-type activity.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The electric, water, and sewer operations are considered to be major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the non-major enterprise funds can be found on pages 123-127 and for the internal service funds on pages 129-131.

The proprietary fund financial statements can be found on pages 34-38 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 39-40 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41-100 of this report.

Other information

Required supplementary information concerning the General Fund schedule of revenues, expenditures, and changes in fund balances – budget and actual for the year ended September 30, 2024, the net pension liability schedules, and the City's Net Other Postemployment Benefits (OPEB) liability schedules, are presented on pages 101-107 of this report.

Government-wide Financial Analysis

Total assets and deferred outflows at fiscal year-end amount to $3,730,972,154. Current and other assets comprise 35.10% and capital assets comprise 62.62% of the total assets and deferred outflows. Total assets and deferred outflows increased $282,125,386 during the fiscal year.

Total liabilities and deferred inflows at the end of the fiscal year amount to $2,164,467,741. Long-term liabilities comprise 82.18% and other liabilities comprise 17.01% of the total liabilities and deferred inflows. Total liabilities and deferred inflows increased $106,325,408 during the fiscal year.

As mentioned earlier, net position may serve over time as a useful indicator of the government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows (net position) by $1,566,504,413 for the fiscal year ended September 30, 2024. The largest portion of the City's net position, $1,001,943,558, represents 63.69% of the total net assets and reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and systems) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position, $287,455,388, represents 18.35% of the total net position and represents resources that are subject to external restrictions on how they may be used. These restrictions are detailed in revenue bond debt covenants, the City of Garland Charter, grant contracts, and state law. The remaining balance of unrestricted net position, $277,105,467, represents 17.69% of total net position and may be used to meet the City's ongoing obligations to citizens and creditors.

A comparative schedule of condensed government-wide net position is presented on the following page.

Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	$ 499,817,226	$ 430,938,894	$ 809,849,436	$ 753,129,175	$ 1,309,666,662	$ 1,184,068,069
Capital assets	892,418,869	793,135,509	1,443,861,824	1,355,961,868	2,336,280,693	2,149,097,377
Total assets	1,392,236,095	1,224,074,403	2,253,711,260	2,109,091,043	3,645,947,355	3,333,165,446
Total deferred outflows of resources	60,275,651	80,714,043	24,749,148	34,967,279	85,024,799	115,681,322
Long-term liabilities Outstanding	631,060,490	554,195,933	1,147,715,294	1,087,710,842	1,778,775,784	1,641,906,775
Other liabilities	228,325,138	247,614,335	139,776,139	154,062,144	368,101,277	401,676,479
Total liabilities	859,385,628	801,810,268	1,287,491,433	1,241,772,986	2,146,877,061	2,043,583,254
Total deferred inflows of resources	12,552,999	10,742,374	5,037,681	3,816,705	17,590,680	14,559,079
Net position:						
Net investment in capital assets	474,829,891	373,586,337	527,113,667	511,315,161	1,001,943,558	884,901,498
Restricted for:						
Debt Service	121,668	3,136,171	357	64,359	122,025	3,200,530
Construction	2,621,210	2,206,940	-	-	2,621,210	2,206,940
Rate Mitigation	-	-	268,194,215	246,654,025	268,194,215	246,654,025
Housing Assistance	3,927,274	3,247,532	-	-	3,927,274	3,247,532
Other Grant Programs	12,590,664	8,358,340	-	-	12,590,664	8,358,340
Unrestricted	86,482,412	101,700,484	190,623,055	140,435,086	277,105,467	242,135,570
Total net position	$ 580,573,119	$ 492,235,804	$ 985,931,294	$ 898,468,631	$ 1,566,504,413	$ 1,390,704,435

The total net position increased $175,799,978 in the 2024 fiscal year. Governmental activities increased $88,337,315 while the business-type activities increased this total by $87,462,663. These increases are discussed in the governmental activities section and the business-type activities section of this overview and analysis.

Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 68,857,491	$ 69,692,834	$ 568,446,009	$ 553,780,873	$ 637,303,500	$ 623,473,707
Operating grants and contributions	42,287,915	25,848,787	-	-	42,287,915	25,848,787
Capital grants and contributions	2,939,342	17,344,305	2,532,668	4,899,114	5,472,010	22,243,419
General Revenues:						
Property taxes	163,692,333	154,112,428	-	-	163,692,333	154,112,428
Sales taxes	46,641,936	49,075,997	-	-	46,641,936	49,075,997
Other taxes	10,493,735	9,997,449	-	-	10,493,735	9,997,449
Unrestricted interest earnings	24,094,214	16,984,456	26,353,206	19,474,298	50,447,420	36,458,754
Miscellaneous	278,672	184,500	8,881,085	13,952,448	9,159,757	14,136,948
Total Revenues	359,285,638	343,240,756	606,212,968	592,106,733	965,498,606	935,347,489
Expenses:						
General government	50,111,754	50,061,998	-	-	50,111,754	50,061,998
Public safety	148,261,922	142,070,923	-	-	148,261,922	142,070,923
Public works	57,527,838	39,720,966	-	-	57,527,838	39,720,966
Culture and recreation	33,563,418	33,478,258	-	-	33,563,418	33,478,258
Public health	7,444,788	7,090,684	-	-	7,444,788	7,090,684
Interest and fiscal charges	15,973,660	11,559,848	-	-	15,973,660	11,559,848
Electric	-	-	317,003,646	357,738,976	317,003,646	357,738,976
Water	-	-	74,763,157	72,222,503	74,763,157	72,222,503
Sewer	-	-	47,214,598	44,238,025	47,214,598	44,238,025
Golf	-	-	5,773,993	5,157,683	5,773,993	5,157,683
Heliport	-	-	7,406	33,170	7,406	33,170
Storm Water Management	-	-	5,265,438	5,109,577	5,265,438	5,109,577
Parks Performance	-	-	1,428,053	1,212,489	1,428,053	1,212,489
Sanitation	-	-	25,358,957	24,347,584	25,358,957	24,347,584
Total expenses	312,883,380	283,982,677	476,815,248	510,060,007	789,698,628	794,042,684
Change in net position before transfers	46,402,258	59,258,079	129,397,720	82,046,726	175,799,978	141,304,805
Transfers	41,935,057	41,845,175	(41,935,057)	(41,845,175)	-	-
Increase (decrease) in net position	88,337,315	101,103,254	87,462,663	40,201,551	175,799,978	141,304,805
Net position - beginning	492,235,804	391,132,550	898,468,631	858,267,080	1,390,704,435	1,249,399,630
Net position - ending	$580,573,119	$ 492,235,804	$ 985,931,294	$ 898,468,631	$1,566,504,413	$ 1,390,704,435

Governmental activities

Governmental activities increased the City's net position by $88,337,315 in fiscal year 2024. Key factors that contributed to this improvement are discussed below.

Revenues by Source – Governmental Activities

Revenues by Source

	2024		2023		Amount	Percentage
	Amount	Percentage	Amount	Percentage	Change	Change
Charges for services	$ 68,857,491	19.17%	$ 69,692,834	20.30%	$ (835,343)	-1.20%
Operating grants and contributions	42,287,915	11.77%	25,848,787	7.53%	16,439,128	63.60%
Capital grants and contributions	2,939,342	0.82%	17,344,305	5.05%	(14,404,963)	-85.05%
Property taxes	163,692,333	45.56%	154,112,428	44.90%	9,579,905	6.22%
Sales taxes	46,641,936	12.98%	49,075,997	14.30%	(2,434,061)	-4.96%
Other taxes	10,493,735	2.92%	9,997,449	2.91%	496,286	4.96%
Unrestricted interest earnings	24,094,214	6.71%	16,984,456	4.95%	7,109,758	41.86%
Miscellaneous	278,672	0.08%	184,500	0.05%	94,172	51.04%
Total Revenues	$359,285,638		$343,240,756		$16,044,882	

Key changes in revenue by source included the following:

Operating grants and contributions revenue increased $16,439,128 and Capital grants and contributions decreased $14,404,963. This change can be attributed to American Rescue Plan Act (ARPA) public sector staffing reimbursements.

Property tax revenue increased $9,579,905 due to growth in the tax base of over $2.7 billion (11.2%) from last year's valuation, an increase contributed to residential cap loss. New construction also contributed to the tax base increase.

The reduction in sales tax is associated with a one-time increase in sales tax collection experienced in 2023 totaling $2,062,123 that was associated with server purchases made by data center facilities within Garland.

Unrestricted interest earnings increased $7,109,758 in FY24 due to higher portfolio returns directly associated with the Federal Reserve's monetary policy.

Expenses by Source - Governmental Activities

Expenses by Source

	2024	2023	Change
General government	$ 50,111,754	$ 50,061,998	$ 49,756
Public safety	148,261,922	142,070,923	6,190,999
Public works	57,527,838	39,720,966	17,806,872
Culture and recreation	33,563,418	33,478,258	85,160
Public health	7,444,788	7,090,684	354,104
Interest and fiscal charges	15,973,660	11,559,848	4,413,812
Total Expense	$ 312,883,380	$ 283,982,677	$ 28,900,703

Public Safety expense increased $6,190,999 due to pension liability expenses and increases in direct expenses related to the Police and Fire departments for increases in personnel costs to assist the City to better compete in an extremely tight labor market and additional positions to maintain needed to operate additional equipment systems necessary for safety of the public.

Public Works expenses increased $17,806,872 in FY2024 due to a one-time reduction in Landfill Postclosure expenses experienced in FY23 related to an adjustment to the long-term landfill post-closure projections. This is a non-cash adjusting entry to properly reflect the on-going cost associated with landfill post-closure.

Interest and fiscal charge expenses increased $4,413,812 due to debt service interest expense.

Business-type Activities

Business-type activities increased the City's net position by $87,462,663. Key factors that contributed to the change are discussed below.

- The electric utility incurred a net income of $60,770,196. The net income for the electric utility increased $44,697,081 from the prior fiscal year as a result of the following:
  - Decrease in fuel and energy purchases.
  - Increase in operating revenue.
  - Increase in earnings from investments.

- The water utility incurred a net income of $13,969,101. The net income for the water utility increased $3,125,570, from the prior fiscal year as a result of the following:
  - Increase in charges for services related to an average monthly rate increase of 4.7% for residential customers, as well as adjustments to commercial accounts.
  - Decrease in developer contributions.
  - Reduction in transfers to debt service reserve funds.

- The wastewater utility incurred a net income of $5,612,879. The net income for the wastewater utility increased $1,543,764, from the prior fiscal year as a result of the following:
  - Increase in charges for services related to an average monthly rate increase of 2.9% for residential customers, as well as adjustments to commercial accounts.
  - Reduction in transfers to debt service reserve funds.

- The combined net income for non-major enterprise funds (golf, heliport, storm water management, parks performance, and sanitation) amounted to $3,539,170.
  - Increase in the stormwater management fund related to a rate increase for both residential and commercial customers. This funding continues to support contracted litter crews to help address widespread litter issues, focusing on right-of-way and major thoroughfares.
  - Increase in the Firewheel golf fund related to a transfer of funds utilized for irrigation upgrades on the old course.

Revenues by Source – Business-type Activities

	Charges for Services			Capital Grants and Contributions		
	2024	2023	Change	2024	2023	Change
Electric	$ 375,502,169	$ 369,778,809	$ 5,723,360	$ 9,240	$ 620,993	$ (611,753)
Water	94,120,371	91,487,025	2,633,346	1,720,630	2,887,285	(1,166,655)
Wastewater	58,429,973	55,275,930	3,154,043	721,081	1,390,836	(669,755)
Non-major Enterprise	40,393,496	37,239,109	3,154,387	81,717	-	81,717
Total	$ 568,446,009	$ 553,780,873	$ 14,665,136	$ 2,532,668	$ 4,899,114	$ (2,367,446)

	Miscellaneous		
	2024	2023	Change
Electric	$ 8,547,538	$13,353,350	$ (4,805,812)
Water	130,046	471,599	(341,553)
Wastewater	89,303	93,298	(3,995)
Non-major Enterprise	114,198	34,201	79,997
Total	$ 8,881,085	$13,952,448	$ (5,071,363)

Expenses by Source – Business-type Activities

	2024	2023	Amount Change	Percentage Change
Electric	$317,003,646	$ 357,738,976	$ (40,735,330)	-11.39%
Water	74,763,157	72,222,503	2,540,654	3.52%
Wastewater	47,214,598	44,238,025	2,976,573	6.73%
Non-Major	37,833,847	35,860,503	1,973,344	5.50%
	$476,815,248	$ 510,060,007	$ (33,244,759)	-6.52%

Fiduciary funds

In the 2009 fiscal year, the City established an Other Post Employment Benefit Trust Fund which allows the City to capture long-term returns to make progress towards reducing the unfunded liability of post-employment health care. A $1,760,000 contribution in excess of the pay-as-you-go costs was made to the trust fund during the 2024. The City will make future contributions to the trust fund as economic conditions permit to lower the OPEB unfunded actuarial accrued liability and to ensure that funding is available for future retiree medical benefits.

Capital Asset and Debt Administration

Capital Assets

At the end of the 2024 fiscal year, the City had $2,336,280,693 invested in a broad range of capital assets including police and fire equipment, buildings, park facilities, roads, bridges, an electric system, a water system, and a sewer system. This amount represents a net increase of $187,183,316 or 8.71% increase from the prior fiscal year. Key elements of this change are as follows:

Capital Assets at Fiscal Year-end
(Net of Accumulated Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 140,424,231	$ 130,229,867	$ 47,630,191	$ 47,103,410	$ 188,054,422	$ 177,333,277
Construction in Progress	280,281,016	197,718,814	81,428,955	61,113,193	361,709,971	258,832,007
Building, Improvements, equipment and systems	471,713,622	465,186,828	1,314,802,678	1,247,745,265	1,786,516,300	1,712,932,093
Total capital assets	$ 892,418,869	$ 793,135,509	$1,443,861,824	$1,355,961,868	$2,336,280,693	$2,149,097,377

Major capital asset additions for the current fiscal year included (amounts rounded to the nearest thousand):

Description	Amount (000's)
Citywide Street Improvements	$ 20,136
Relocate mains prior to paving	10,305
Distribution lines up to 14'	8,154
Rehab collection mains unimproved rights of way	7,645
Rowlett Creek WWTP replacement mods	5,960
Rowlett Creek WWTP process improvements	5,412
Vehicles purchased through Equipment Replacement Fund	5,184
Pump station emergency generators	4,965
Relocate mains prior to install	4,937
Transmission mains	4,345
530 Clara Barton	3,907
Interceptor mains	3,901
Collection mains	3.836
EWS vehicle replacements	3,651
Duck Creek process filter UV	3,126
Infiltration correction - various	2,884
Transmission mains over 16"	2,385
Water meter replacement	2,378
Duck Creek interceptor rehab	2,315
Rowlett Creek interceptor rehab	2,139
519 State Street	1,962
2200 McCree Road	1,944
Distribution lines	1,763
Relocated water mains	1,541
Water tower corrosion abatement	1,494

A few of the Capital Improvement Program projects under construction at the end of the current fiscal year included (amounts rounded to the nearest thousand):

Description	Amount (000's)
Holford Recreation and Neighborhood Aquatic Center	$ 30,639
Girvin Switch Station	13,728
Relocate Fire Station No. 6	11,089
Rick Oden Park improvements	10,258
Downtown square design	9,813
Modernization/upgrade to Central Library	9,759
Hollabaugh Recreation Center	9,301
Naaman School Road-Brand to SH 78	8,822
Field Operations Center - Water	8,164
Ben Davis flood mitigation	7,765
Downtown infrastructure	7,678
Field Operations Center - Wastewater	7,518
Holford Road segment A	7,484
Downtown streetscapes and redevelopment	6,876
Relocate/expand West Garland Library	6,841
Street Department facility renovation	6,258
Tuckerville Sports field development	5,979
Brand to College transmission upgrade	5,864
HR/Payroll implementation	5,450
Oakland substation upgrade	4,732
Granger Recreation Center and Annex Renovation	3,365
Shiloh Road – Kingsley to Miller	3,256
Motorola radio subscriber replacement	3,190
Surf and Swim Regional Aquatics facility	2,951

Additional information on the City's capital assets can be found in note IV.C on pages 61-63 of this report.

Debt

Debt issues outstanding for the fiscal years 2024 and 2023 were as follows:

	Governmental Activities		Business-type Activities		Total		
	2024	2023	2024	2023	2024	2023	Change
Long-Term:							
General obligation bonds	$ 317,520,000	$ 237,740,000	$ 15,000	$ 15,000	$ 317,535,000	$ 237,755,000	$ 79,780,000
Certificates of obligation	161,255,000	141,480,000	15,215,000	12,085,000	176,470,000	153,565,000	22,905,000
Utility system revenue bonds	-	-	956,915,000	968,515,000	956,915,000	968,515,000	(11,600,000)
Commercial paper	-	-	126,400,000	41,400,000	126,400,000	41,400,000	85,000,000
Total Long-Term	478,775,000	379,220,000	1,098,545,000	1,022,015,000	1,577,320,000	1,401,235,000	176,085,000
Short-Term:							
Commercial Paper	-	30,000,000	-	-	-	30,000,000	(30,000,000)
Tax Note	45,750,000	40,255,000	-	-	45,750,000	40,255,000	5,495,000
Total Short-Term	45,750,000	70,255,000	-	-	45,750,000	70,255,000	(24,505,000)
Total outstanding debt	$ 524,525,000	$ 449,475,000	$ 1,098,545,000	$ 1,022,015,000	$ 1,623,070,000	$ 1,471,490,000	$ 151,580,000

During the fiscal year, the City issued the following debt:

Issue	Principal	Bond Ratings: Standard & Poor's	Bond Ratings: Fitch IBCA
Long-term			
Certificates of Obligation Bonds, Series 2024	$ 40,595,000	AA+	AAA
General Obligation Refunding Bonds, Series 2024	91,705,000	AA+	AAA
General Obligation Bonds, Taxable Series 2024	10,105,000	AA+	AAA
Water and Sewer System Revenue Refunding Bonds, New Series 2024	46,370,000	AA-	AA
Short-term			
Tax Anticipation Note, Series 2024	45,750,000		
Total debt financing	$234,525,000		

The proceeds of the Certificates of Obligation Bonds, Series 2024 will be used for the following:

- Constructing, equipping, and improving various facilities in the City,
- Acquiring equipment and vehicles for public safety, streets and traffic control, facilities management, drainage, stormwater management, and parks and recreation departments and programs,
- Equipping additions, extensions, renovations, and improvements for the City's sanitation department, including the landfill and transfer station and the acquisition of land and interest in land,
- Improving and equipping existing municipal buildings, including HVAC replacement, upgrade, roof replacement and safety upgrades.

The proceeds of the General Obligation Refunding Bonds, Series 2024 were used to takeout $50,000,000 of commercial paper debt, Series 2021 which was utilized to fund the 2004 and 2019 bond programs and issue $50,000,000 of general obligation debt for the 2019 bond programs. It should be noted that the commercial paper, Series 2021 was discontinued in May, 2024, in order to record debt service savings associated with higher short term interest rates.

The proceeds of the General Obligation Bonds, Taxable Series 2024 were used to promote economic development throughout the City, through planning, designing, constructing, improving, extending and expanding public street, utility, and other infrastructure facilities, including the acquisition of land therefor, and through the City's programs for economic development, including the acquisition of improved and unimproved properties.

The proceeds of the Water and Sewer System Revenue Refunding Bonds, New Series 2024 were used to refund $10,335,000 of Water & Sewer Revenue Bonds, Series 2014 at the call date and takeout $40,000,000 of commercial paper debt, Series 2015.

In fiscal year 2010, the City along with other TMPA member cities elected to issue bonds based on the percentage of their annual net energy load and placed the proceeds with TMPA. Since the proceeds from the issuance of this debt will benefit the City over future years the City has elected to record an other asset and a corresponding bonds payable liability, reoffering premium, interest and sinking fund deposit, underwriters discount and issuance cost to record this transaction. The other asset of $138,252,850 is being amortized using a straight-line method over a period of 20 years based on the life of the economic benefit that the City is receiving from this transaction. During the current fiscal year, the City amortized $6,912,642 of the asset resulting in a fiscal year-end balance in other assets of $38,019,534. In February, 2021, the state of Texas experienced an unprecedented weather event causing power outages across the state. As a result, energy and natural gas prices increased dramatically from February 11 to February 24, 2021. The City recorded a Winter Storm Uri regulatory asset of $137,343,717 which will be amortized over thirty years. In FY2023, the value of this Regulatory Asset was increased by $906,004. This adjustment reflects the recognition of ERCOT short payments that are not expected to be recovered. At September 30, 2024 the regulatory asset had a balance of $122,162,708. Further information related to the other assets are available on pages 90-92.

Additional information on the City's debt can be found in note IV.E of this report.

The City's Funds

At the close of the City's fiscal year, the governmental funds of the City reported a combined fund balance of $289,545,895, an increase of $91,272,114 from the prior fiscal year.

The General Fund ended the fiscal year with a fund balance of $69,728,500 which was an increase of $5,977,927 from the prior fiscal year. The increase in the general fund can be attributed to increases in property tax and sales tax collection. The Debt Service fund ended the fiscal year with a fund balance of $3,562,813 which is a decrease of $1,835,404. The decrease can be attributed to the issuance of a $45,750,000 tax note to improve residential and arterial streets.. The Capital Projects Funds ended the fiscal year with a fund balance of $178,726,982 which is an increase of $83,062,109 from the prior fiscal year related to funding of the ongoing capital projects of the City. Other Nonmajor Governmental funds ended the fiscal year with a fund balance of $37,527,600 which was in increase of $4,067,482.

General Fund Budgetary Highlights

During the fiscal year ended September 30, 2024, the City Council amended the budget for the General Fund on multiple occasions. The amendments were comprised of supplemental appropriations and adjusted budgets. Appropriations are adjusted annually for open purchase orders and various grant awards. Budgets are reviewed and adjusted during the fiscal year to address changing operational and/or economic situations. These amendments amounted to increased appropriations of $18,082,994.

Economic Factors and Next Year's Budgets and Rates

The City's unemployment rate at September 30, 2024 was 3.7% and the State of Texas unemployment rate was 4.2%. The City's estimated population of 250,099 (as estimated at January 1, 2024, by the City's Planning department) remained virtually unchanged from the prior year.

The budget priorities for FY2023-24 were primarily focused on rapidly rising inflation which has put considerable pressure on almost every category of City expenditures. The job market remains highly competitive. Increased service calls bring a need for additional staffing in Fire. In addition, the successful completion of bond project comes with the need for expanded operating and maintenance budgets. And finally, given the current economic uncertainty, prudent levels of service are needed to ensure financial stability should challenges materialize.

These priorities include:

- Focus on Public Safety:
  - Increase Fire Department staffing levels; maintain competitive pay.
  - Adjust Police Officer pay plan to increase attractiveness in an extremely competitive market
- Increase personnel and operational funding as a result of Bond Programs
- Strengthen Citywide staffing from lean years to improve programs and services
- Maintain compensation/merit increases to stay competitive
- Continue funding master plans to provide direction on strategic priorities
- Maintain high levels of reserves to respond to unforeseen financial challenges

To address these priorities, the FY 2023-24 Adopted Budget includes 3.0% compensation/merit increases for General Schedule and Civil Service employees. The budget also includes a market adjustment for Civil Service employees, so that the average market plus merit increase for Fire Civil Service is 4.0% and for the Police Civil Service is 10.3%. Additionally, the General Fund includes $150,000 for market studies/adjustments during FY 2023-24.

The adopted budget addresses Public Safety needs in Fire with the addition of nine firefighter positions, outside firefighter training, protective equipment, and medical supplies. The primary focus of the FY2023-24 Adopted Budget for the Police Department is compensation to increase competitiveness in an extremely competitive labor market, reduced talent pool, and continuing upward trend in Police Office retirements.

Personnel funding in support of the new facilities and amenities constructed in the 2004 and 2019 bond programs include positions at Parks facilities, the new Garland Animal Shelter facility, and new Libraries. The Downtown Square and surrounding

area will be supported by new maintenance positions and a Visitor Center Manager to staff the new Visitor Center. The budget also includes funding to support the improvements to facilities underway as part of the 2004 and 2019 bond programs. Funding is included for: startup costs at new libraries, the new Streets Department Facility, the new Simunitions Training Facility, and Downtown Square; promotional expenses for groundbreaking events; a new construction management system; and enhanced Parks programs.

The budget priorities for FY2024-25 are primarily focused on an economic environment that shows signs of returning to average levels of growth rather than the historically highs levels experienced in the past several years. This slowdown is tied to reduced consumer spending for goods and services and a flattening in economic production due to the Federal Reserve's monetary policies designed to control inflation. While overall sales tax revenue remained strong in FY2023-24, the retail and service industry segments of the state and local sales tax base have shown signs of stagnation, and new development is beginning to decline.

These priorities include:

- Ensure any new facilities resulting from past bond programs are adequately staffed and funded to operate at expected service levels.
- Maintain competitive position with compensation and merit increases.
- Enhance infrastructure and maintenance funding to be able to adequately respond to the results of the street and alley condition assessment and other long-term maintenance initiatives.
- Maintain high levels of reserves to respond to anticipated and unforeseen financial challenges.

To address these priorities, the FY 2023-24 Adopted Budget includes 3.0% compensation/merit increases for General Schedule employees. To maintain competitive compensation for public safety staff, the adopted budget includes a market adjustment for Police and Fire Civil Service employees. Additionally, the adopted budget includes increases to paramedic certification and assignment pay as well as the addition of hazardous material technician certification pay and urban search and rescue certification pay for Fire Civil Service.

In support of the new or expanded facilities constructed as part of the 2019 bond programs, the adopted budget includes additional personnel and enhanced operational funding for the Holford Recreation and Aquatic Center and West Branch Library to support these new amenities available to residents in 2025.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Financial Services Department at the City of Garland, 200 North Fifth Street, Garland, TX 75040 or through the City's internet site www.garlandtx.gov.

GARLAND

TEXAS MADE HERE

City of Garland, Texas
Statement of Net Position
September 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	As of 12/31/23
ASSETS				
Cash and cash equivalents	$ 359,396,528	$ 122,464,378	$ 481,860,906	$ 6,569,522
Investments	83,293,966	39,703,526	122,997,492	-
Accounts Receivable, net of allowance for uncollectibles	26,695,189	111,787,104	138,482,293	2,799,873
Due from other governments	994,857	-	994,857	-
Internal Balances	(29,987,833)	29,987,833	-	-
Inventories	9,675,163	6,713,849	16,389,012	-
Prepaid and other items	2,850,865	1,002,123	3,852,988	20,897
Restricted Assets:				
Cash and cash equivalents	45,730,401	254,256,213	299,986,614	-
Investments	33,840	76,151,264	76,185,104	-
Accrued interest	103	730,278	730,381	-
Assets held for resale	1,134,145	-	1,134,145	788,478
Other Assets	-	167,020,778	167,020,778	-
Capital Assets:				
Land	140,424,231	47,630,191	188,054,422	54,299,729
Construction in Progress	280,281,016	81,428,955	361,709,971	-
Buildings, Improvements, Equipment and System (net of accumulated depreciation/amortization)	471,713,622	1,314,802,678	1,786,516,300	489
Total assets	1,392,236,095	2,253,711,260	3,645,947,355	64,478,988
DEFERRED OUTFLOWS OF RESOURCES				
Fair value of energy risk derivatives	-	2,346,360	2,346,360	-
Deferred charges on debt refunding	14,897	143,244	158,141	-
Deferred charges on pensions	34,420,602	12,860,823	47,281,425	-
Deferred charges on OPEB	25,840,152	9,044,881	34,885,033	-
Deferred charges on ARO	-	353,840	353,840	-
Total deferred outflows of resources	60,275,651	24,749,148	85,024,799	-
LIABILITIES				
Accounts payable and accrued liabilities	40,937,078	32,427,439	73,364,517	-
Escrow payable	275,848	1,309,852	1,585,700	-
Retainage payable	3,591,274	2,052,249	5,643,523	-
Accrued interest payable	4,279,707	4,228,158	8,507,865	-
Customer deposits	22,303,924	-	22,303,924	-
Collateral Held	-	41,670,193	41,670,193	-
Tax Note Payable	45,750,000	-	45,750,000	-
Derivative instrument-energy risk management	-	2,346,360	2,346,360	-
Unearned revenue	47,186,200	63,794	47,249,994	44,418,177
Noncurrent Liabilities:				
Due within one year	64,001,107	55,678,094	119,679,201	11,616
Due in more than one year	631,060,490	1,147,715,294	1,778,775,784	10,269,852
Total liabilities	859,385,628	1,287,491,433	2,146,877,061	54,699,645
DEFERRED INFLOWS OF RESOURCES				
Fair value of energy risk derivatives	-	32,090	32,090	-
Deferred charges on debt refunding	34,410	1,198,887	1,233,297	-
Deferred charges on pensions	6,478,346	2,420,049	8,898,395	-
Deferred charges on OPEB	3,961,507	1,386,655	5,348,162	-
Deferred charges on leases	2,078,736	-	2,078,736	-
Total deferred inflows of resources	12,552,999	5,037,681	17,590,680	-
NET POSITION				
Net investment in capital assets	474,829,891	527,113,667	1,001,943,558	1,141,255
Restricted for:				
Debt Service	121,668	357	122,025	-
Construction	2,621,210	-	2,621,210	-
Rate Mitigation	-	268,194,215	268,194,215	-
Housing	3,927,274	-	3,927,274	-
Other Grant Programs	12,590,664	-	12,590,664	-
Unrestricted net position	86,482,412	190,623,055	277,105,467	8,638,088
Total net position	$ 580,573,119	$ 985,931,294	$ 1,566,504,413	$ 9,779,343

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Statement of Activities
For the Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit as of 12/31/2023
Primary Government								
Governmental activities:								
General government	$ 50,111,754	$ 10,815,733	$ 40,176,174	$ 461,162	$ 1,341,315	$ -	$ 1,341,315	$ -
Public safety	148,261,922	20,390,608	559,660	-	(127,311,654)	-	(127,311,654)	-
Public works	57,527,838	35,911,698	-	2,478,180	(19,137,960)	-	(19,137,960)	-
Culture and recreation	33,563,418	1,007,373	71,097	-	(32,484,948)	-	(32,484,948)	-
Public health	7,444,788	732,079	1,480,984	-	(5,231,725)	-	(5,231,725)	-
Interest and fiscal charges	15,973,660	-	-	-	(15,973,660)	-	(15,973,660)	-
Total governmental activities	312,883,380	68,857,491	42,287,915	2,939,342	(198,798,632)	-	(198,798,632)	-
Business-type activities:								
Electric	317,003,646	375,502,169	-	9,240	-	58,507,763	58,507,763	-
Water	74,763,157	94,120,371	-	1,720,630	-	21,077,844	21,077,844	-
Wastewater	47,214,598	58,429,973	-	721,081	-	11,936,456	11,936,456	-
Golf	5,773,993	5,175,388	-	-	-	(598,605)	(598,605)	-
Heliport	7,406	8,643	-	-	-	1,237	1,237	-
Storm Water Management	5,265,438	6,605,122	-	81,717	-	1,421,401	1,421,401	-
Parks Performance	1,428,053	1,656,860	-	-	-	228,807	228,807	-
Sanitation	25,358,957	26,947,483	-	-	-	1,588,526	1,588,526	-
Total business-type activities	476,815,248	568,446,009	-	2,532,668	-	94,163,429	94,163,429	-
Total primary government	$ 789,698,628	$ 637,303,500	$ 42,287,915	$ 5,472,010	(198,798,632)	94,163,429	(104,635,203)	-
Component units								
Garland Housing Finance Corp.	$ 2,065,537	$ 1,930,697	$ -	$ -				$ (134,840)
	$ 2,065,537	$ 1,930,697	$ -	$ -				
General revenues:								
Sales taxes					46,641,936	-	46,641,936	-
Franchise fees based on gross receipts					8,124,300	-	8,124,300	-
Property taxes					163,692,333	-	163,692,333	-
Hotel/Motel taxes					1,764,356	-	1,764,356	-
Mixed drink taxes					469,842	-	469,842	-
Bingo taxes					135,237	-	135,237	-
Unrestricted investment earnings					24,094,214	26,353,206	50,447,420	601,676
Miscellaneous					278,672	8,881,085	9,159,757	2,550,804
Transfers					41,935,057	(41,935,057)	-	-
Total general revenues and transfers					287,135,947	(6,700,766)	280,435,181	3,152,480
Change in net position					88,337,315	87,462,663	175,799,978	3,017,640
Net position - beginning					492,235,804	898,468,631	1,390,704,435	6,761,703
Net position-ending					$ 580,573,119	$ 985,931,294	$ 1,566,504,413	$ 9,779,343

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Governmental Funds
Balance Sheet
September 30, 2024

	General	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 44,753,860	$ 3,504,947	$ 212,854,578	$ 26,752,968	$ 287,866,353
Investments	17,684,636	-	41,916,808	6,272,042	65,873,486
Receivables:					
Accounts, net	17,113,924	-	448,375	5,205,774	22,768,073
Taxes, net	749,648	896,428	-	-	1,646,076
Accrued interest	113,797	-	427,568	55,894	597,259
Assessments	16,032	-	-	-	16,032
Due from other funds	16,787,452	-	-	-	16,787,452
Due from other governments	399,375	-	-	595,483	994,858
Prepaid items	69,256	-	-	1,332	70,588
Assets held for resale	-	-	-	1,134,146	1,134,146
Total Current Assets	97,687,980	4,401,375	255,647,329	40,017,639	397,754,323
Restricted assets:					
Cash and cash equivalents	-	-	-	45,684,433	45,684,433
Investments	-	-	-	4,313	4,313
Total Restricted Assets	-	-	-	45,688,746	45,688,746
Total Assets	$ 97,687,980	$ 4,401,375	$ 255,647,329	$ 85,706,385	$ 443,443,069
LIABILITIES					
Accounts payable and accrued liabilities	$ 18,731,424	$ -	$ 14,255,728	$ 916,248	$ 33,903,400
Escrow payable	-	-	28,762	247,082	275,844
Due to other funds	-	-	2,175,591	11,523,884	13,699,475
Unearned revenues	654,773	-	11,039,856	35,491,571	47,186,200
Retainage payable	-	-	3,591,274	-	3,591,274
Tax note payable	-	-	45,750,000	-	45,750,000
Commercial paper	-	-	-	-	-
Total Liabilities	19,386,197	-	76,841,211	48,178,785	144,406,193
DEFERRED INFLOWS OF RESOURCES	8,573,283	838,562	79,136	-	9,490,981
FUND BALANCES					
Fund balances:					
Nonspendable	69,256	-	-	1,332	70,588
Restricted	2,621,210	3,562,813	169,126,664	16,517,938	191,828,625
Committed	13,831,870	-	-	21,008,330	34,840,200
Assigned	17,356,677	-	9,600,318	-	26,956,995
Unassigned	35,849,487	-	-	-	35,849,487
Total Fund Balances	69,728,500	3,562,813	178,726,982	37,527,600	289,545,895
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 97,687,980	$ 4,401,375	$ 255,647,329	$ 85,706,385	$ 443,443,069

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Position
September 30, 2024

Total fund balances - governmental funds	$	289,545,895
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		825,692,104
Certain receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures and are, therefore, deferred in the funds.		9,490,981
Deferred outflows related to pensions.		29,910,051
Deferred outflows related to OPEB.		21,624,769
Bond interest is not accrued at the fund level.		(4,166,772)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities consist of:		
Bonds payable		(462,690,000)
Landfill closure costs		(15,755,234)
Compensated absences		(29,343,767)
Unamortized premium on refunding		(30,255,325)
Other Post Employment Benefits liability payable		(73,660,632)
Deferred loss on debt refunding		12,797
Deferred gain on debt refunding		(31,252)
Net pension liability		(21,245,765)
SBITA liability		(7,486,441)
Deferred inflows related to pensions		(5,629,329)
Deferred inflows related to OPEB.		(3,315,280)
Deferred inflows related to Leases.		(2,078,736)
Internal service funds net position adjustment excluding assets and liabilities included in the adjustments listed above. Internal service funds are used by management to charge the costs of various services to individual funds. Certain assets and liabilities of the internal service funds are included with governmental activities in the statement of net position.		59,955,055
Total net position - governmental activities	$	580,573,119

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended September 30, 2024

	General	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 121,916,898	$ 86,464,914	$ -	$ 6,405,956	$ 214,787,768
Franchise fees	8,124,300	-	-	-	8,124,300
Service charges	42,655,792	-	-	-	42,655,792
Licenses and permits	5,623,490	-	-	-	5,623,490
Earnings on investments	5,433,438	952,033	9,376,124	4,127,977	19,889,572
Intergovernmental	11,011,995	-	6,151,244	25,279,663	42,442,902
Charges for services	11,501,589	-	-	-	11,501,589
Fines and forfeits	5,435,898	-	-	-	5,435,898
Rents and concessions	860,543	-	-	-	860,543
Assessments	-	-	77,072	-	77,072
Impact fees	-	-	-	2,160,362	2,160,362
Contributions	-	-	-	461,162	461,162
Program income	-	-	-	376,527	376,527
Court awarded seizures	-	-	-	503,702	503,702
Miscellaneous and other	-	(4,386)	3,730,708	466,110	4,192,432
Total revenues	212,563,943	87,412,561	19,335,148	39,781,459	359,093,111
EXPENDITURES					
Current:					
General government	16,339,077	-	785,290	-	17,124,367
Public safety	131,752,831	-	-	-	131,752,831
Public works	25,772,236	-	-	-	25,772,236
Culture and recreation	21,113,295	-	-	-	21,113,295
Public health	6,426,983	-	-	-	6,426,983
Nondepartmental	37,582,714	-	-	-	37,582,714
Operations	-	-	-	28,336,560	28,336,560
Capital outlay	20,470,850	-	106,479,988	9,125,003	136,075,841
Debt service:					
Principal	-	32,524,427	-	1,485,573	34,010,000
Interest	-	16,971,777	-	137,765	17,109,542
Other and fiscal expenditures	-	225,412	1,247,276	-	1,472,688
Total expenditures	259,457,986	49,721,616	108,512,554	39,084,901	456,777,057
Excess (deficiency) of revenues over (under) expenditures	(46,894,043)	37,690,945	(89,177,406)	696,558	(97,683,946)
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	282,134	-	1,136,300	-	1,418,434
Transfers in	66,485,587	805,651	58,467,182	8,522,633	134,281,053
Transfers out	(13,895,751)	(40,332,000)	(34,317,038)	(5,151,709)	(93,696,498)
Issuance of debt	-	-	134,795,000	-	134,795,000
Premium on issuance of debt	-	-	12,158,071	-	12,158,071
Total other financing sources (uses)	52,871,970	(39,526,349)	172,239,515	3,370,924	188,956,060
Net change in fund balances	5,977,927	(1,835,404)	83,062,109	4,067,482	91,272,114
Fund balances - beginning	63,750,573	5,398,217	95,664,873	33,460,118	198,273,781
Fund balances - ending	$ 69,728,500	$ 3,562,813	$ 178,726,982	$ 37,527,600	$ 289,545,895

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
For the Year Ended September 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	$ 91,272,114
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.	100,043,268
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(2,035,497)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(111,112,375)
Other long-term liabilities related to pension expense and contributions, are not due and payable in the current period and therefore, are not reported in governmental funds.	5,245,929
Other Post Employment Benefits liability is accrued in the government wide financial statements but not at the fund level.	(5,234,725)
Interest is accrued in the government wide financial statements but not at the fund level. This represents the change in the accrual during the period.	(1,370,750)
Internal service funds are used by management to charge the costs of vehicle services, building services, printing services, and insurance services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	11,529,351
Net change in net position-total governmental activities	$ 88,337,315

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Proprietary Funds
Statement of Net Position
September 30, 2024

	Business-type Activities					Governmental Activities
	Electric	Water	Wastewater	Other Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS						
Current assets:						
Cash and cash equivalents	$ 61,412,923	$ 33,272,484	$ 21,317,802	$ 6,461,169	$ 122,464,378	$ 71,530,175
Investments	24,989,583	8,203,207	4,919,915	1,590,821	39,703,526	17,420,480
Receivable, net of allowance	87,324,156	14,244,537	6,377,961	3,475,441	111,422,095	1,509,184
Accrued interest	226,334	74,615	45,054	19,006	365,009	158,565
Due from other funds	-	-	-	81,717	81,717	1,746,895
Inventories	6,589,812	-	-	124,037	6,713,849	9,675,160
Prepaid expense	934,469	2,262	65,392	-	1,002,123	2,780,278
Total current assets	181,477,277	55,797,105	32,726,124	11,752,191	281,752,697	104,820,737
Noncurrent Assets:						
Restricted assets						
Revenue bond reserve fund:						
Investments	357	-	-	-	357	-
Total revenue bond reserve fund	357	-	-	-	357	-
Rate mitigation:						
Cash and cash equivalents	192,716,808	-	-	-	192,716,808	-
Investments	74,756,826	-	-	-	74,756,826	-
Accrued interest	720,581	-	-	-	720,581	-
Total rate mitigation	268,194,215	-	-	-	268,194,215	-
Collateral:						
Cash and cash equivalents	41,670,193	-	-	-	41,670,193	-
Total collateral	41,670,193	-	-	-	41,670,193	-
Construction funds:						
Cash and cash equivalents	4,509,893	2,770,979	7,190,250	5,398,090	19,869,212	45,967
Investments	18,992	18,344	48,629	1,308,116	1,394,081	29,527
Accrued interest	307	121	546	8,723	9,697	103
Total construction funds	4,529,192	2,789,444	7,239,425	6,714,929	21,272,990	75,597
Other Assets	167,020,778	-	-	-	167,020,778	-
Advance to other funds	3,896,269	-	-	-	3,896,269	-
Derivative instruments - energy risk management	32,090	-	-	-	32,090	-
Total other assets	170,949,137	-	-	-	170,949,137	-
Capital Assets:						
Land	32,027,819	1,807,965	2,338,807	11,455,600	47,630,191	358,759
Buildings, improvements, equipment and systems	1,052,090,984	402,574,032	653,879,201	58,091,427	2,166,635,644	168,829,671
Construction in progress	57,148,425	9,776,765	11,798,902	2,704,863	81,428,955	13,929,547
Less accumulated depreciation/amortization	(313,748,987)	(169,331,395)	(326,901,723)	(41,850,861)	(851,832,966)	(116,391,212)
Net capital assets	827,518,241	244,827,367	341,115,187	30,401,029	1,443,861,824	66,726,765
Total noncurrent assets	1,312,861,335	247,616,811	348,354,612	37,115,958	1,945,948,716	66,802,362
Total Assets	1,494,338,612	303,413,916	381,080,736	48,868,149	2,227,701,413	171,623,099
Deferred Outflows of Resources						
Deferred charges on debt refundings	127,094	5,534	10,611	5	143,244	2,100
Deferred charges on pensions	7,602,845	1,366,508	1,858,298	2,033,172	12,860,823	4,510,551
Deferred charges on OPEB	4,165,624	1,078,747	1,692,803	2,107,707	9,044,881	4,215,383
Deferred charges on derivatives	2,346,360	-	-	-	2,346,360	-
Deferred charges on ARO	353,840	-	-	-	353,840	-
Total deferred outflows	14,595,763	2,450,789	3,561,712	4,140,884	24,749,148	8,728,034

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Proprietary Funds
Statement of Net Position
September 30, 2024

	Business-type Activities					Governmental Activities
	Electric	Water	Wastewater	Other Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
LIABILITIES						
Current liabilities:						
Payable from current assets						
Accounts payable and accrued liabilities	$ 21,999,430	$ 869,298	$ 1,085,323	$ 1,110,134	$ 25,064,185	$ 7,018,585
Due to other funds	-	-	-	-	-	4,916,589
Insurance claims payable	-	-	-	-	-	4,939,932
Accrued interest payable:						
General obligation bonds	-	-	-	83	83	54,964
Certificates of obligation	-	-	-	160,718	160,718	57,972
Collateral	153,390	-	-	-	153,390	-
Revenue bonds	2,405,182	635,438	873,347	-	3,913,967	-
Customer deposits	-	-	-	-	-	22,303,924
General obligation bonds (net of unamortized premium)	-	-	-	5,000	5,000	1,770,000
Certificates of obligation	-	-	-	3,935,000	3,935,000	1,095,000
Revenue bonds	31,855,000	7,955,000	8,645,000	-	48,455,000	-
Leases payable-current portion	386,540	-	-	-	386,540	1,484,722
Compensated absences	1,743,003	258,267	466,343	428,941	2,896,554	995,157
Derivative instruments-energy risk management	2,346,360	-	-	-	2,346,360	-
Total current liabilities	60,888,905	9,718,003	11,070,013	5,639,876	87,316,797	44,636,845
Long-term liabilities:						
Payable from restricted assets						
Accounts payable	2,275,303	1,758,366	2,568,944	760,641	7,363,254	15,093
Retainage payable	325,400	483,475	1,243,374	-	2,052,249	-
Collateral payable	41,670,193	-	-	-	41,670,193	-
Escrow payable	1,309,852	-	-	-	1,309,852	-
Total payable from restricted assets	45,580,748	2,241,841	3,812,318	760,641	52,395,548	15,093
Advances from other funds	-	-	-	-	-	3,896,269
Revenue bonds payable (net of unamortized premium)	710,166,771	109,597,132	147,480,540	-	967,244,443	-
Certificates of obligation (net of unamortized premium)	-	-	-	11,961,456	11,961,456	6,671,982
General obligation bonds (net of unamortized premium)	-	-	-	10,270	10,270	7,441,526
Commercial paper	91,400,000	9,000,000	26,000,000	-	126,400,000	-
Unearned revenue	63,794	-	-	-	63,794	-
Leases payable	539,340	-	-	-	539,340	6,214,728
Insurance claims payable	-	-	-	-	-	6,147,849
Asset retirement obligations	589,817	-	-	-	589,817	-
Net OPEB liability	14,189,423	3,674,552	5,766,220	7,179,509	30,809,704	14,359,019
Compensated absences	737,958	103,486	86,490	97,255	1,025,189	300,524
Net pension liability	5,400,441	970,602	1,319,884	1,444,148	9,135,075	3,203,994
Total other liabilities	823,087,544	123,345,772	180,653,134	20,692,638	1,147,779,088	48,235,891
Total non-current liabilities	868,668,292	125,587,613	184,465,452	21,453,279	1,200,174,636	48,250,984
Total Liabilities	929,557,197	135,305,616	195,535,465	27,093,155	1,287,491,433	92,887,829
Deferred Inflows of Resources						
Deferred charges on debt refundings	591,011	469,853	138,023	-	1,198,887	3,158
Fair value of energy risk derivatives	32,090	-	-	-	32,090	-
Deferred charges on pensions	1,430,870	257,079	349,550	382,550	2,420,049	849,017
Deferred charges on OPEB	638,624	165,381	259,521	323,129	1,386,655	646,227
Total deferred inflows of resources	2,692,595	892,313	747,094	705,679	5,037,681	1,498,402
NET POSITION						
Net investment in capital assets	226,022,210	118,358,519	162,289,342	20,443,596	527,113,667	42,108,253
Restricted for:						
Debt service	357	-	-	-	357	-
Rate mitigation	268,194,215	-	-	-	268,194,215	-
Unrestricted	82,467,801	51,308,257	26,070,547	4,766,603	164,613,208	43,856,649
Total net position	$ 576,684,583	$ 169,666,776	$ 188,359,889	$ 25,210,199	959,921,447	$ 85,964,902
Some amounts reported for business-type activities in the Statement of Net Position are different because certain internal service fund assets and liabilities are included with business-type activities.					26,009,847	
Net position of business type activities					$ 985,931,294	

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2024

	Business-type Activities					Governmental Activities
	Electric	Water	Wastewater	Other Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES:						
Charges for services	$ 375,502,169	$ 94,120,371	$ 58,429,973	$ 40,393,496	$ 568,446,009	$ 75,612,170
Insurance premiums	-	-	-	-	-	55,162,686
Other	8,233,705	130,046	89,303	114,198	8,567,252	10,694,926
Total Operating Revenues	383,735,874	94,250,417	58,519,276	40,507,694	577,013,261	141,469,782
OPERATING EXPENSES:						
Salaries and benefits	26,244,887	5,598,120	10,256,769	13,416,486	55,516,262	26,299,495
TMPA charges	484,751	-	-	-	484,751	-
Amortization of other assets	11,652,886	-	-	-	11,652,886	-
Energy and fuel purchases	178,517,561	-	-	-	178,517,561	-
Water purchases	-	43,585,340	-	-	43,585,340	-
Landfill fees	-	-	-	3,371,342	3,371,342	-
Maintenance, repairs, and other	23,883,374	6,571,347	9,664,842	11,224,740	51,344,303	31,746,547
Insurance and other expenses	5,691,823	741,784	1,875,096	995,121	9,303,824	-
General and administrative	17,922,369	5,611,290	6,089,755	3,231,126	32,854,540	8,766,717
Capitalized general and administrative	-	(331,797)	(847,243)	-	(1,179,040)	-
Premiums	-	-	-	-	-	15,730,612
Claims	1,366,949	351,134	552,636	668,787	2,939,506	35,579,437
Administrative services	-	-	-	-	-	849,920
Depreciation	25,492,732	9,672,237	15,141,960	5,319,237	55,626,166	15,029,056
Total Operating Expenses	291,257,332	71,799,455	42,733,815	38,226,839	444,017,441	134,001,784
Total Operating Income	$ 92,478,542	$ 22,450,962	$ 15,785,461	$ 2,280,855	$ 132,995,820	$ 7,467,998
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental	$ -	$ -	$ -	$ 81,717	$ 81,717	$ 1,746,895
Gain (loss) on disposal of capital assets	(2,774,063)	-	1,502	398,583	(2,373,978)	1,104,774
Gain on derivative instruments	69,430	-	-	-	69,430	-
Other	313,833	-	-	-	313,833	-
Investment income	22,164,000	2,061,742	1,501,173	626,291	26,353,206	4,204,638
Interest expense	(25,407,194)	(3,526,393)	(4,837,648)	(293,341)	(34,064,576)	(774,139)
Income before transfers and contributions	86,844,548	20,986,311	12,450,488	3,094,105	123,375,452	13,750,166
Capital contributions	9,240	1,720,630	721,081	-	2,450,951	-
TRANSFERS						
Transfers in	-	-	-	1,992,000	1,992,000	1,367,441
Transfers out	(26,083,592)	(8,737,840)	(7,558,690)	(1,546,935)	(43,927,057)	(16,939)
Net transfers	(26,083,592)	(8,737,840)	(7,558,690)	445,065	(41,935,057)	1,350,502
NET INCOME	60,770,196	13,969,101	5,612,879	3,539,170	83,891,346	15,100,668
Net position, beginning of year	515,914,387	155,697,675	182,747,010	21,671,029	876,030,101	70,864,234
Net position, end of year	$ 576,684,583	$ 169,666,776	$ 188,359,889	$ 25,210,199	959,921,447	$ 85,964,902
	Some amounts reported for business-type activities in the Statement of Activities are different because the net revenue of certain internal service funds is reported with business type activities				3,571,317	
	Change in net position of business-type activities				$ 87,462,663	

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Proprietary Funds
Statement of Cash Flows
For the Year Ended September 30, 2024

	Business-type Activities					Governmental Activities
	Electric	Water	Wastewater	Other Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:						
Cash received from customers	$ 363,895,128	$ 93,602,547	$ 57,865,421	$ 40,214,225	$ 555,577,321	$ 130,707,721
Cash paid to customer deposit	4,937,614	-	-	-	4,937,614	1,595,035
Cash paid to suppliers	(243,422,606)	(55,904,927)	(16,650,023)	(18,854,371)	(334,831,927)	(94,074,305)
Cash paid to employees for services	(27,344,474)	(5,778,786)	(10,596,341)	(13,761,433)	(57,481,034)	(27,022,177)
Other operating revenues	8,233,705	130,046	89,303	114,198	8,567,252	10,694,926
Net cash provided by operating activities	106,299,367	32,048,880	30,708,360	7,712,619	176,769,226	21,901,200
Cash flows from noncapital financing activities:						
Due from other funds decrease	-	-	-	-	-	(1,160,698)
Due to other funds decrease	-	-	-	(777,227)	(777,227)	(894,262)
Due from other governments increase	-	-	-	(81,717)	(81,717)	-
Intergovernmental	-	-	-	81,717	81,717	1,160,698
Transfers in	-	-	-	1,992,000	1,992,000	1,367,441
Transfers out	(26,083,592)	(8,737,840)	(7,558,690)	(1,546,935)	(43,927,057)	(16,939)
Net cash provided by (used for) noncapital financing activities	(26,083,592)	(8,737,840)	(7,558,690)	(332,162)	(42,712,284)	456,240
Cash flows from capital and related financing activities:						
Proceeds from sales of:						
Certificates of obligation	-	-	-	6,225,000	6,225,000	1,385,000
Revenue bonds	-	10,175,000	26,815,000	-	36,990,000	-
Refunding bonds	-	8,225,000	1,155,000	-	9,380,000	-
Premium on issuance of debt	-	1,772,867	2,668,351	352,440	4,793,658	140,289
Commercial paper	60,000,000	17,000,000	48,000,000	-	125,000,000	-
Acquisition and construction of capital assets	(74,398,375)	(18,435,018)	(47,839,575)	(6,185,361)	(146,858,329)	(15,337,109)
New obligations under capital lease	-	-	-	-	-	-
Principal paid on:						
Revenue bonds	(29,370,000)	(7,315,000)	(10,950,000)	-	(47,635,000)	-
Certificates of obligation	-	-	-	(3,095,000)	(3,095,000)	(930,000)
General obligation bonds	-	-	-	-	-	(1,685,000)
Lease (decrease)	(408,573)	-	-	-	(408,573)	(2,555,914)
Payment to escrow agent	-	(9,183,346)	(1,292,380)	-	(10,475,726)	-
Commercial paper	-	(11,000,000)	(29,000,000)	-	(40,000,000)	-
Interest paid on:						
Revenue bonds	(29,585,644)	(4,673,396)	(5,684,975)	-	(39,944,015)	-
Certificates of obligation	-	-	-	(557,864)	(557,864)	(313,153)
General obligation bonds	-	-	-	(651)	(651)	(472,275)
Commercial paper	(2,534,833)	(509,051)	(934,519)	-	(3,978,403)	-
Collateral Held	(2,295,525)	-	-	-	(2,295,525)	-
Lease	(17,920)	-	-	-	(17,920)	(347,436)
Proceeds from sale of TMPA mine	313,833	-	-	-	313,833	-
Contributions	-	219,825	61,980	-	281,805	-
Proceeds from sales of assets	-	62,817	1,502	450,326	514,645	1,150,990
Net cash used for capital and related financing activities	(78,297,037)	(13,660,302)	(16,999,616)	(2,811,110)	(111,768,065)	(18,964,608)

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Proprietary Funds
Statement of Cash Flows
For the Year Ended September 30, 2024

	Business-type Activities					Governmental Activities
	Electric	Water	Wastewater	Other Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from investing activities:						
Purchase of investment securities	(93,751,456)	(8,188,685)	(4,417,045)	(3,249,746)	(109,606,932)	(16,537,147)
Proceeds from sale and maturities of investment securities	96,519,977	5,933,130	4,386,307	2,218,689	109,058,103	15,071,103
Interest received on investments	21,684,248	2,002,221	1,468,174	603,288	25,757,931	4,086,653
Net cash provided by (used for) investing activities	24,452,769	(253,334)	1,437,436	(427,769)	25,209,102	2,620,609
Net increase in cash and cash equivalents	26,371,507	9,397,404	7,587,490	4,141,578	47,497,979	6,013,441
Cash and cash equivalents at beginning of the year	273,938,310	26,646,059	20,920,562	7,717,681	329,222,612	65,562,701
Cash and cash equivalents at end of the year	$ 300,309,817	$ 36,043,463	$ 28,508,052	$ 11,859,259	$ 376,720,591	$ 71,576,142
Reconciliation to Statement of Net Position						
Cash and cash equivalents	$ 61,412,923	$ 33,272,484	$ 21,317,802	$ 6,461,169	$ 122,464,378	$ 71,530,175
Rate mitigation cash and cash equivalents	192,716,808	-	-	-	192,716,808	-
Collateral cash and cash equivalents	41,670,193	-	-	-	41,670,193	-
Construction fund cash and cash equivalents	4,509,893	2,770,979	7,190,250	5,398,090	19,869,212	45,967
Total cash and cash equivalents	$ 300,309,817	$ 36,043,463	$ 28,508,052	$ 11,859,259	$ 376,720,591	$ 71,576,142
Reconciliation of Operating Income to Net Cash Provided by Operating Activities						
Operating income	$ 92,478,542	$ 22,450,962	$ 15,785,461	$ 2,280,855	$ 132,995,820	$ 7,467,998
Adjustments:						
Depreciation/amortization expense	25,492,732	9,672,237	15,141,960	5,319,237	55,626,166	15,029,056
Amortization of other assets	11,652,886	-	-	-	11,652,886	-
Change in allowance for uncollectible accounts	86,172	19,647	(8,375)	9,569	107,013	(22,725)
Change in assets and liabilities						
Increase in pension related deferred outflows	7,166,287	1,287,971	1,751,462	1,916,358	12,122,078	4,251,640
Decrease in OPEB related deferred outflows	(1,935,199)	(501,147)	(786,415)	(979,164)	(4,201,925)	(1,958,329)
Increase in accounts receivable	(11,693,213)	(537,471)	(556,177)	(188,840)	(12,975,701)	(44,411)
(Increase) decrease in inventory	(569,196)	-	(65,392)	(78,262)	(712,850)	1,010,997
Increase in other assets	(2,072,875)	-	-	-	(2,072,875)	-
Decrease in net pension liability	(9,352,360)	(1,680,865)	(2,285,744)	(2,500,942)	(15,819,911)	(5,548,601)
(Increase) decrease in other prepaid expense	331,879	(1,050)	3,399	-	334,228	(2,631,706)
Increase (decrease) in accounts payable	(14,253,965)	364,086	337,275	204,791	(13,347,813)	(761,447)
Increase (decrease) in compensated absences	233,871	58,991	(13,671)	11,638	290,829	68,431
Increase in customer deposits	4,937,614	-	-	-	4,937,614	1,595,035
Increase in OPEB liability	3,157,266	817,619	1,283,033	1,597,501	6,855,419	3,195,003
Decrease in insurance claims payable	-	-	-	-	-	(39,343)
Increase in pension related deferred inflows	852,615	153,238	208,381	227,999	1,442,233	505,844
Decrease in OPEB related deferred inflows	(213,689)	(55,338)	(86,837)	(108,121)	(463,985)	(216,242)
Total adjustments	13,820,825	9,597,918	14,922,899	5,431,764	43,773,406	14,433,202
Net cash provided by operating activities	$ 106,299,367	$ 32,048,880	$ 30,708,360	$ 7,712,619	$ 176,769,226	$ 21,901,200
Noncash investing, capital and financing activities:						
Contributions from developers	9,240	1,657,813	690,076	-	2,357,129	-
Increase in fair value of investments	(966,449)	(66,950)	(40,416)	(23,847)	(1,097,662)	(142,478)
Change in restricted accounts payable	(3,780,408)	(694,937)	(2,526,826)	(107,736)	(7,109,907)	15,093

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2024

	Other Post Employment Benefits Trust Fund
Assets	
Investments:	
Equity mutual funds	$ 9,726,046
Fixed income mutual funds	9,411,280
Money market fund	659,225
Total investments	19,796,551
Total assets	$ 19,796,551
Net Position	
Net Position restricted for other post employment benefits	19,796,551
Total net position	$ 19,796,551

The notes to the financial statements are an integral part of this statement.

City of Garland, Texas
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2024

	Other Post Employment Benefits Trust Fund
Additions	
Investment earnings	$ 4,437,272
Investment costs	(908,919)
Net investment earnings	3,528,353
Employer contributions	7,045,425
Total additions	10,573,778
Deductions	
Administrative expenses	82,253
Payments to beneficiaries	5,285,425
Total deductions	5,367,678
Change in net position	5,206,100
Net position, beginning of year	14,590,451
Net position, end of year	$ 19,796,551

The notes to the financial statements are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City is a municipal corporation governed by an elected mayor and eight-member council. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable.

Discretely Presented Component Unit
The Garland Housing Finance Corporation (GHFC) was organized to finance the cost of residential ownership and development that will provide decent, safe and sanitary housing for residents of the City at affordable prices. GHFC is governed by a board of directors that are appointed by and serve at the discretion of the City Council. GHFC is reported as a proprietary entity and maintains their accounts on an accrual basis of accounting. On October 1, 2012, GHFC hired an outside accounting firm to conduct their bookkeeping and accounting. The financial information for GHFC is included in the statements for the period of January 1, 2023 through December 31, 2023. Complete separate December 31, 2023 financial statements for GHFC may be obtained from the City.

Blended Component Units
The Garland Foundation for Development (GFFD) was organized to promote economic development within the City of Garland. The City Council serves as the board members for GFFD and the Assistant City Manager is the Executive Director. GFFD is reported as a blended component unit of the non-major governmental funds.

In 2018, the City of Garland created the Garland Public Facility Corporation (GPFC) as a public facility corporation under Chapter 303 of the Texas Local Development Code. The GPFC was organized exclusively for the purpose of assisting the City in financing, refinancing, or providing public facilities. The Mayor and City Council serves as the board members of the GPFC. GPFC is reported as a blended component unit of the non-major governmental funds.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers sales tax revenue to be available if they are collected within 30 days of the end of the current fiscal period and all other revenues available if they are collected within 60 days of the end of the annual fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, actuarially determined pension and OPEB expenses, and claims and judgments, are recorded only when payment is due. Grant revenues are recognized as revenues when all eligibility requirements are met.

Property taxes, franchise fees, licenses, mowing liens, sales taxes, EMS fees, court fines, and earnings on investments associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent they are available as defined above. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the City receives cash.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The Capital Projects Fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

The City reports the following major proprietary funds:

The Electric Fund accounts for the resources and expenses associated with the administration, operation, maintenance, new construction, financing and related debt service to provide electric service for the residents of the City.

The Water Fund accounts for the resources and expenses associated with the administration, operation, maintenance, new construction, financing and related debt service to provide water service for the residents of the City.

The Wastewater Fund accounts for the resources and expenses associated with the administration, operation, maintenance, new construction, financing and related debt service to provide wastewater treatment service for the residents of the City.

Additionally, the City reports the following fund categories:

Special revenue funds account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. These specific revenue sources are Community Development Block Grants, Housing Assistance Grants, Neighborhood Services Grants and Funding, Hotel/Motel Tax, Impact Fees, Landfill Closure Funding, Police Training, Substandard Perimeter Road Funding, Narcotic Seizure Funding, Culture & Recreation Grants, Tax Increment Finance funds, Coronavirus Recovery grant funds, GFFD, and GPFC.

The City's nonmajor enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the City is that costs of providing goods and services to the general public on a continuing basis will be financed or recovered through user charges. These funds are the Golf Fund, the Heliport Fund, the Storm Water Management Fund, the Parks Performance Fund, and the Sanitation Fund.

Internal service funds account for group health, self-insurance, long-term disability, fleet services, vehicle replacement, information technology, facilities management, warehouse, and customer services to other departments of the City on a cost reimbursement basis.

The Other Post-Employment Benefits trust fund accounts for the activities of the trust fund which accumulates resources for OPEB related benefits, and is excluded from the government-wide financial statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's electric, water, wastewater, sanitation, and various other functions of the City. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and Wastewater systems. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, liabilities, and net position or equity

1. Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes and the City Council approved investment policy authorize the City to invest in obligations of the Agencies and Instrumentalities of the U.S. Treasury, commercial paper, FDIC insured Certificates of Deposit, repurchase agreements, reverse repurchase agreements, SEC registered no-load money market mutual funds, and investment pools.

The deposits and investments of the OPEB trust fund are held separately from those of other City funds by an outside trustee appointed by the City.

Investments for the primary government, as well as for its component units, are reported at fair value. The Texpool and TexStar investment pools operate in accordance with appropriate State laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All trade and property tax receivables are shown net of an allowance for uncollectibles. The allowance for uncollectible accounts for utility billing is estimated based on collection experience. All other allowance for uncollectible accounts is based on accounts outstanding in excess of 360 days of the invoice date and collection experience. The property tax receivable allowance is based on the average collection rate of delinquent taxes over the last five years.

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Assessed values are established by the Dallas Central Appraisal District at 100% of estimated market value. Property taxes attach an enforceable lien on property as of January 1. Taxes are due immediately following the October 1 levy date and are considered delinquent after January 31 of the following year. Penalty and interest are charged at 7% on delinquent taxes beginning February 1 and increases each month to 18% on July 1. After all collection efforts have failed, the City files suit to collect the delinquent taxes.

In Texas, countywide central appraisal districts are required under the Property Tax Code to assess all property within the appraisal district on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the City may, at its own expense, require annual reviews by the appraisal district through various appeals and, if necessary, legal action. Under this system the City sets tax rates on property within the City. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 8% above the tax rate of the previous year.

3. Inventories and prepaid items

All inventories are valued at average cost and consist of expendable supplies held for consumption or the construction of plant and equipment. Inventories are accounted for under the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and are accounted for under the consumption method.

4. Restricted assets

Certain proceeds of the City's general obligation bonds, certificates of obligation, and revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet or statement of net position because their use is limited by applicable bond covenants or they are maintained in separate bank accounts due to City Charter requirements. The "rate mitigation" account is used to report resources set aside to subsidize potential deficiencies from Electric Fund operations that could adversely affect rates that are charged to customers. The "revenue bond construction" accounts are used to report those proceeds of revenue bond issuances that are restricted for use in construction of assets.

5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Capital assets are defined by the City as tangible or intangible assets used in operations with an initial useful life in excess of one year. Capital asset values are established on a department by department basis where the initial asset cost is $5,000 and above.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the government chose to include all such items regardless of their acquisition date or amount. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value for buildings excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond 40 years. The reported value for infrastructure includes all upgrades and is depreciated over a useful life of 15-50 years. In the case of contributed assets, the City values these capital assets at the acquisition value of the item at the date of its contribution.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets for the electric fund is included as part of the capital value of the electric assets constructed. The total interest expense by the City during the current year was $51,948,259. Of this amount, $2,005,283 was included as part of the cost of capital assets under construction in connection with electric construction projects.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	15 – 40
Improvements other than buildings	5 – 15
Equipment	2 – 10
Systems and Infrastructure	15 – 50

6. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Employees are reimbursed upon termination for accumulated vacation and only non-exempt employees are reimbursed for compensatory time. Employees are not reimbursed upon termination for accumulated sick leave except for police and firefighters who are reimbursed up to a maximum of 90 days accumulated sick leave. The liabilities for these amounts are accrued as they are incurred in the government-wide and proprietary fund financial statements.

7. Long-term obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

8. Classifications of Fund balance

Fund balances for governmental funds are reported in classifications that demonstrate the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The governmental fund classifications are as follows:

Nonspendable – The portion of fund balance that cannot be spent because it is either (a) not in spendable form, such as inventories and prepaid items, or (b) legally or contractually required to be maintained intact.
Restricted – The portion of fund balance that is restricted for specific purposes due to constraints imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
Committed – The portion of fund balance that can only be used for specific purposes by the City's highest level of decision-making authority, the City Council, and are imposed by the City Council through an ordinance. Once adopted, the limitation imposed by the ordinance remains in place until an ordinance is imposed to remove or revise the limitation.
Assigned – The portion of the fund balance that is constrained by the City's intent for specific purposes, but are not restricted or committed. In fund balance policy, the City Council delegates authority to the Director of Finance or the Director of Finance's designee to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriation in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
Unassigned – The portion of the fund balance that is not restricted, committed, or assigned to specific purposes. The General Fund is the only fund that reports a positive unassigned funds balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, if expenditures incurred for specific purposes exceed the amounts that are not restricted, committed, or assigned to this purpose, it may be necessary to report a negative fund balance in that fund.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

In order to remain financially strong and provide a framework for prudent financial management, the City maintains a minimum unassigned fund balance goal in the General fund of 30 days of budget-based operating expenditures.

Fund balances for governmental funds as of September 30, 2024 are:

Fund Balance	*General Fund*	*Debt Service*	*Capital Projects*	*Other Nonmajor Governmental Funds*	*Total Governmental Funds*
Nonspendable:					
General government	$ 69,256	$ -	$ -	$ 1,332	$ 70,588
Total Nonspendable	69,256	-	-	1,332	70,588
Restricted:					
General government	2,621,210	-	-	11,454,669	14,075,879
Debt service	-	3,562,813	-	-	3,562,813
Public facilities	-	-	169,126,664	-	169,126,664
Housing assistance	-	-	-	3,927,274	3,927,274
Public safety	-	-	-	1,135,995	1,135,995
Total Restricted	2,621,210	3,562,813	169,126,664	16,517,938	191,828,625
Committed:					
General government	2,526,435	-	-	-	2,526,435
Public works and infrastructure	11,305,435	-	-	21,008,330	32,313,765
Total Committed	13,831,870	-	-	21,008,330	34,840,200
Assigned:					
General government	17,356,677	-	9,600,318	-	26,956,995
Total Assigned	17,356,677	-	9,600,318	-	26,956,995
Unassigned	35,849,487	-	-	-	35,849,487
Total fund balance	$ 69,728,500	$ 3,562,813	$ 178,726,982	$ 37,527,600	$ 289,545,895

9. Fund net position

In the fund financial statements, proprietary funds report restricted net position for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

10. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position and balance sheet will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expenses/expenditure) until then. The City has the following items that qualify for reporting in this category:

- Fair value of energy risk derivative instruments – The deferred charge represents fuel swap hedging activity and is calculated as the difference between the closing futures price at the end of the reporting period, and the futures price at the time the positions were established.
- Deferred charges on refunding – The deferred charge results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunding or the refunded debt.
- Pension and OPEB contributions subsequent to measurement date – The deferred charges result from contributions made after the measurement date of the plans to the current fiscal year end. These charges will be recognized in the subsequent fiscal year end.
- Difference in expected and actual economic experience – The difference is deferred and will be amortized as a component of pension and OPEB expense over the estimated average remaining lives of all members determined as of measurement date.
- Difference in assumption changes – The difference is deferred and amortized over estimated average remaining lives of all members determined as of measurement date.
- Deferred charges on asset retirement obligation – The deferred charge will be recognized as an outflow of resources over the remaining estimated useful life of the asset.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that quality for reporting in this category:

- Deferred charges on refunding – The deferred charge results from the difference in carry value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunding or the refunded debt.
- Difference in expected and actual economic experience – The difference is deferred and will be amortized as a component of pension and OPEB expense over the estimated average remaining lives of all members determined as of measurement date.
- Difference in projected and actual earnings – The difference is deferred and will be amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.
- Difference in assumption changes – The difference is deferred and amortized over estimated average remaining lives of all members determined as of measurement date.
- Deferred inflows at the fund level – The deferred inflow on the governmental fund statement represents unavailable revenue at year end.
- Deferred inflows on leases – The deferred inflow on the governmental fund statement represents the remaining lease revenue receivable at fiscal year-end.

11. Leases

Lessee

The City is a lessee for noncancellable leases of property and equipment. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset) reported with other capital assets, in the government-wide and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payment expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonable certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonable certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lessor

The City is a lessor for noncancellable leases of property and equipment. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

12. Subscription based information technology arrangements (SBITAs)

The City of Garland has noncancellable contracts with subscription based information technology arrangements (SBITA) vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide and proprietary fund financial statements.

At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses the estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- The subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

13. New accounting principles

The City implemented the following new GASB standards during the fiscal year ended September 30, 2024:

The GASB has issued Statement No. 100, "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62" (GASB 100), which will be effective in fiscal year 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. The City implemented this statement in the current fiscal year.

GASB issued the following new accounting standards that are expected to be implemented by the City in future years:

The GASB has issued Statement No. 101, *"Compensated Absences"* (GASB 101), which will be effective in fiscal year 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The City has not yet evaluated the impact of the implementation of this standard.

The GASB has issued Statement No. 102, *"Certain Risk Disclosures"* (GASB 102), which will be effective in fiscal year 2025. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow or resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date of the financial statements are issued. The City has not yet evaluated the impact of the implementation of this standard.

The GASB has issued Statement No. 103, *"Financial Reporting Model Improvements"* (GASB 103), which will be effective in fiscal year 2026. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from government to government, thereby improving comparability. The addition of a subtotal from operating income(loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability. The City has not yet evaluated the impact of the implementation of this standard.

The GASB has issued Statement No. 104, *"Disclosure of Certain Capital Assets"* (GASB 104), which will be effective in fiscal year 2026. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital assets held for sales if (a) the government has decided to pursue the sale of the capital asset and (b) it is probably that the sale will be finalized within one year of the financial statement date.

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this $462,690,000 difference is as follows:

General Obligation bonds – General Government portion	$308,715,000
Certificates of Obligation – General Government portion	153,975,000
Net adjustment to reduce *fund balance – total governmental funds* to arrive at net position – governmental activities	$462,690,000

The portion of Certificates of Obligation amounting to $7,280,000 was outstanding for Internal Service fund projects. The portion of General Obligation bonds amounting to $8,805,000 was outstanding for Internal Service fund projects.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balance includes reconciliation between *net changes in fund balances – total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation states that "the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this ($111,112,375) difference are as follows:

Debt issued or incurred:	
Issuance of certificate of obligation – Governmental Funds	$ (32,985,000)
Issuance of general obligation bonds – Governmental Funds	(101,810,000)
Net premium on issuance of bonds	(12,158,069)
Principal repayments:	
General obligation debt	20,345,000
Certificates of obligation	13,665,000
Amortization of bond premium	5,040,094
Amortization of Lease/SBITA	(286,635)
Change in landfill closure liability	(876,872)
Change in compensated absences liability	(2,045,893)
Net adjustment to decrease *net changes in fund balances – total governmental funds* to arrive at *changes in net position of governmental activities*	$(111,112,375)

Another element of that reconciliation states that "governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period." The details of this $100,043,268 difference are as follows:

Capital outlays	$ 136,075,841
Developers contributions	1,727,988
General Fund expense outlays	2,720,256
Depreciation expense	(39,944,214)
Loss on disposal of assets	(536,603)
Net adjustment to increase *net changes in fund balances – total governmental funds* to arrive at *changes in net position of governmental activities*	$ 100,043,268

III. Stewardship, compliance, and accountability

Deficit fund equity

The Self-Insurance Fund deficit of $18,476 is a result of an accrual of claims incurred but not reported of $5,644,644. This accrual was made on the basis of an actuarial analysis completed in 2024 and will be funded in future periods as the payments become due.

The Long-Term Disability Insurance Fund deficit of $1,130,189 is the result of an accrual of claims incurred but not reported of $3,228,223. This accrual was made on the basis of an actuarial analysis completed in 2024 and will be funded in future periods as the payments become due.

The Fleet Services Fund deficit of $448,376 is related to reporting actuarial determined OPEB and pension expenses. The fund is managed on a modified accrual basis. Charges to other operating funds are adjusted annually to meet current operating needs.

The Facilities Management deficit of $1,771,553 is related to reporting actuarial determined OPEB and pension expenses. The fund is managed on a modified accrual basis. Charges to other operating funds are adjusted annually to meet current operating needs.

The Warehouse Fund deficit of $189,888 is related to reporting actuarial determined OPEB and pension expenses. The fund is managed on a modified accrual basis. Charges to other operating funds are adjusted annually to meet current operating needs.

IV. Detailed notes on all funds

A. Deposits and investments

Deposits. Consistent with the requirements of State law and the City's investment policy, the City requires all bank and savings bank deposits to be federally insured, fully secured through an FHLB standby letter of credit ("LOC") or collateralized with eligible securities in accordance with Texas Government Code Chapter 2257. The City's deposits were fully insured or collateralized as required by state statutes as of September 30, 2024. Collateral was held by the Federal Reserve Bank in the City name under a joint safekeeping agreement with JP Morgan Chase Bank. The fair value of the collateral at the close of the fiscal year was $10,200,000.

As of September 30, 2024, the carrying amount of the City's deposits was $7,200,478 and the bank balance was $5,542,996. These balances include the City's blended component units (Garland Foundation for Development and Garland Public Facility Corporation). On September 30, 2024, the City's bank balance, the bank balance for GFFD, and the bank balance for GPFC were fully collateralized. The carrying value of the Garland Foundation for Development component unit deposits was $939,891 and the carrying value for Garland Public Facility Corporation was $299,016.

Investments. State statutes, the City's Investment Policy, and the City Statement of Investment Strategies govern the investments of the City. The City is authorized to invest in obligations of the U.S. Government and its agencies and instrumentalities, federal agency discount-amortizing notes, federal agency coupon securities, managed pool accounts and Certificates of Deposit.

As of September 30, 2024, the City had the following cash equivalents and investments:

Investment Type	Book Value	Fair Value Level 2	% of portfolio	WAM	Rating	Rating Agency
Fed Home Loan Bank	10,004,302	10,000,113	1.03%	97	AA+/Aaa	S&P/Moody's
Federal Farm Credit Bank	29,993,283	30,018,920	3.08%	78	AA+/Aaa	S&P/Moody's
U.S. Treasury	158,197,590	159,163,563	16.26%	284	N/A	N/A
Certificates of Deposit	1,273,593	-	0.13%	1	N/A	N/A
Investment Pools	773,373,449	-	79.50%	60	AAAm	S&P
Total investment fair value	$ 972,842,217	$ 199,182,596	100.00%	51		

Weighted average maturity (WAM) of the portfolio by investment type categories reflected in the previous table is stated in days. The rating agency acronyms are defined as follows: S&P-Standard & Poor's rating agency and Moody's-Moody's Investor Service.

Fair Value Measurement. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets and liabilities in active markets that government can access at the measurement date.
- Level 2 inputs are inputs (other than quoted prices within Level 1) that are observable for an asset and liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. For the City, all of the U.S. Government Agency securities and Municipal obligations are classified in Level 2 of the fair value hierarchy and are valued based on their relationship to benchmark quoted prices. Investment Pools and Certificates of Deposit are measured at amortized cost or net asset value and are exempt from fair value reporting.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits at least half of the City's investment portfolio to maturities of less than five years and a WAM of three years or less. As of September 30, 2024, the WAM for all cash equivalents and investments was 51 days.

Credit risk. The risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized rating organization. The City's investments in U. S. agencies were rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service as of September 30, 2024.

The City invests in Texpool and TexStar to meet its daily liquidity needs. Texpool and TexStar are local government investment pools (LGIPs) that were established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Code. These pools qualify to be valued at amortized cost and have no limitations or restrictions on withdrawals. Texpool and TexStar are funds that allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. Such funds seek to maintain a constant net asset value of $1.00, although this cannot be fully guaranteed. Texpool and TexStar are all rated AAAm and must maintain a dollar weighted average maturity not to exceed a 60 day limit. The City considers the holdings in these funds to have a WAM of one day, due to the fact that the share position can usually be redeemed each day at the discretion of the shareholder, unless there has been a significant change in value.

The City invests in Certificates of Deposit. The City has entered into custody services agreement with Stone Castle Cash Management to act as authorized agent to purchase and manage Certificates of Deposit (CDs) in depository banks. The CDs held at each bank are in the City's name and the CD cannot exceed the FDIC insurance amount. Money can be withdrawn from Stone Castle Cash Management with one day notice. The City considers the holding in these CDs to have a weighted average maturity of one day, due to the fact that these funds can be withdrawn with one day notice.

State law limits investments in commercial paper to the top two ratings issued by at least two nationally recognized credit rating agencies. It is the City's policy to limit its investments in these investment types to the top rating issued by national recognized credit rating agencies.

As of September 30, 2024, the City had the following cash equivalents and investments held by the trust agency Public Agency Retirement Services (PARS) for the OPEB trust fund:

Investment Type	Fair Value
Equity Mutual Funds	$ 9,726,046
Fixed Income Mutual Funds	9,411,280
Money Market Fund	659,225
Total investment fair value	$ 19,796,551

B. Receivables

Receivables as of year-end for the City's individual major funds and nonmajor and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	Capital Projects	Electric	Water	Wastewater	Other Funds	Total
Receivables:								
Interest	$ 113,797	$ -	$ 427,568	$ 226,334	$ 74,615	$ 45,054	$ 233,465	$ 1,120,833
Taxes	1,825,993	2,183,518	-	-	-	-	-	4,009,511
Utility Accounts	303,614	-	-	29,529,757	10,481,031	6,442,762	4,661,817	51,418,981
Mowing Liens	570,985	-	-	-	-	-	-	570,985
EMS Accounts	1,380,966	-	-	-	-	-	-	1,380,966
Sales Tax	7,175,271	-	-	-	-	-	-	7,175,271
Wholesale & Other Accts	9,336,799	-	448,375	58,474,429	3,901,584	531	5,662,231	77,823,949
Assessments	16,032	-	-	-	-	-	-	16,032
Gross Receivables	20,723,457	2,183,518	875,943	88,230,520	14,457,230	6,488,347	10,557,513	143,516,528
Less: allowance for uncollectibles	(2,730,056)	(1,287,090)	-	(680,030)	(138,078)	(65,332)	(133,649)	(5,034,235)
Net total receivables	$17,993,401	$ 896,428	$ 875,943	$ 87,550,490	$ 14,319,152	$ 6,423,015	$ 10,423,864	$138,482,293

Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unearned revenue* in the governmental funds were as follows:

	Unearned
Parks service charges for future events	$ 654,773
Homeowner assistance	7,974,774
Other receivables related to capital projects	11,039,857
ARPA funds	27,516,796
	$ 47,186,200

Governmental funds defer revenue recognition in connection with resources that have been earned, but not yet available. These amounts are reported as deferred inflows of resources. At the end of the current fiscal year, the various components of deferred inflows of resources in the governmental funds were as follows:

	Unavailable
Delinquent property taxes receivable (general fund)	$ 701,257
Delinquent property taxes receivable (debt service fund)	838,562
Leases receivable	2,078,736
Sales tax, mowing liens, EMS, & other receivables	5,872,426
	$ 9,490,981

C. Capital Assets

Capital asset activity for the year ended September 30, 2024, was as follows:

Primary government

	Balance at Oct. 1, 2023	Increases	Decreases	Balance at Sept. 30, 2024
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 129,871,108	$ 10,194,364	$ -	$ 140,065,472
Internal service land	358,759	-	-	358,759
Construction in progress	190,947,688	107,373,729	(31,994,948)	266,326,469
Internal service construction in progress	6,771,126	7,260,314	(101,893)	13,929,547
Total capital assets, not being depreciated	327,948,681	124,828,407	(32,096,841)	420,680,247
Capital assets, being depreciated/amortized:				
Buildings	168,140,634	2,927,107	-	171,067,741
Improvements other than buildings	745,762,531	33,417,470	(6,484,076)	772,695,925
Machinery and equipment	133,259,445	17,856,159	(10,439,136)	140,676,468
Right-to-use SBITA	9,300,386	-	-	9,300,386
Internal service buildings, improvements, and equipment	153,440,912	8,193,783	(5,651,932)	155,982,763
Internal Services SBITA	12,846,908		-	12,846,908
Total capital assets being depreciated/amortized	1,222,750,816	62,394,519	(22,575,144)	1,262,570,191
Less accumulated depreciation/amortization for:				
Buildings	(68,116,057)	(4,098,243)	-	(72,214,300)
Improvements other than buildings	(487,593,749)	(23,858,336)	6,484,076	(504,968,009)
Machinery, furniture, and equipment	(93,956,271)	(11,880,836)	10,439,136	(95,397,971)
Right-to-use SBITA	(930,039)	(930,039)	-	(1,860,078)
Internal service buildings, improvements, and equipment	(104,223,232)	(12,284,415)	5,605,716	(110,901,931)
Internal Services Right-to-use SBITA	(2,744,640)	(2,744,640)	-	(5,489,280)
Total accumulated depreciation/amortization	(757,563,988)	(55,796,509)	22,528,928	(790,831,569)
Total capital assets, being depreciated/amortized, net	465,186,828	6,598,010	(46,216)	471,738,622
Governmental activities capital assets, net	$ 793,135,509	$ 131,426,417	$ (32,143,057)	$ 892,418,869

	Balance at Oct. 1, 2023	Increases	Decreases	Balance at Sept. 30, 2024
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 47,103,410	$ 526,781	$ -	$ 47,630,191
Construction in progress	61,113,193	142,511,011	(122,195,249)	81,428,955
Total capital assets, not being depreciated	108,216,603	143,037,792	(122,195,249)	129,059,146
Capital assets, being depreciated/amortized:				
Utility buildings, improvements, and equipment	2,053,880,000	125,357,059	(14,231,180)	2,165,005,879
Right-to-use leased asset	312,007	97,778	-	409,785
Right-to-use SBITA	583,450	636,529	-	1,219,979
Total capital assets being depreciated/amortized	2,054,775,457	126,091,366	(14,231,180)	2,166,635,643
Less accumulated depreciation/amortization for:				
Utility buildings, improvements, and equipment	(806,808,818)	(55,253,579)	10,823,393	(851,239,004)
Right-to-use leased asset	(197,064)	(98,532)	-	(295,596)
Right-to-use SBITA	(24,310)	(274,055)	-	(298,365)
Total accumulated depreciation/amortization	(807,030,192)	(55,626,166)	10,823,393	(851,832,965)
Total capital assets, being depreciated/amortized, net	1,247,745,265	70,465,200	(3,407,787)	1,314,802,678
Business-type activities capital assets, net	$1,355,961,868	$ 213,502,992	$(125,603,036)	$1,443,861,824

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 1,429,630
Public safety	5,084,159
Public works	28,791,861
Culture and recreation	5,038,787
Public health	423,016
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of assets	15,029,056
Total depreciation/amortization expense – governmental activities	$ 55,796,509
Business-type activities:	
Electric	$ 25,492,732
Water	9,672,237
Wastewater	15,141,960
Other non-major business-type activities	5,319,237
Total depreciation/amortization expense – business-type activities	$ 55,626,166

The City has identified intangible assets related to right of way easements. These assets have been classified as non-depreciating assets and reported in the same method as land assets.

Construction commitments

The City has active construction projects as of September 30, 2024. At year-end the City's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Water System	$ 16,187,761	$ 1,438,436
Wastewater System	30,039,449	40,353,391
Electric System	5,916,017	2,790,045
Public Safety	9,410,567	89,183
Parks & Recreation	34,105,422	45,169,544
Streets and Drainage	10,228,316	10,001,366
Municipal Facilities	8,502,735	4,030,350
Total	$ 114,390,267	$103,872,315

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of September 30, 2024, is as follows:

Interfund Payable	General Fund	Internal Services	Non-Major Enterprise	Total
Capital Project Funds	$ 2,175,591	$ -	$ -	$ 2,175,591
Non-Major Governmental	9,695,272	1,746,895	81,717	11,523,884
Internal Service Funds	4,916,589	-	-	4,916,589
	$16,787,452	$ 1,746,895	$ 81,717	$18,616,064

Interfund balances are created by short-term deficiencies in cash position in individual funds and it is anticipated that these balances will be repaid within one year or less.

The composition of advances to/from at September 30, 2024, is as follows:

Advance Payable	Electric	Total
Internal Service	$ 3,896,269	$ 3,896,269

Advances are created by long-term deficiencies in cash position in individual funds. It is not anticipated that these balances will be repaid within one year or less.

During the year, funds were transferred from one fund to support expenditures of another fund in accordance with the authority established for the individual fund. A summary of interfund transfers by fund type is as follows:

	General Fund	Debt Service Fund	Capital Project Fund	Non-major Governmental Funds	Non-major Business Funds	Internal Service Funds	Total Transfers
General	$ -	$ -	$13,312,472	$ 354,612	$ -	$ 228,667	$ 13,895,751
Debt Service	-	-	40,255,000	-	-	77,000	40,332,000
Capital Project	24,036,990	120,027	-	8,168,021	1,992,000	-	34,317,038
Non-major Governmental	252,000	-	4,899,710	-	-	-	5,151,710
Electric	24,947,022	230,482	-	-	-	906,088	26,083,592
Water	8,606,030	131,810	-	-	-	-	8,737,840
Wastewater	7,424,761	133,929	-	-	-	-	7,558,690
Non-major Business-Type	1,218,784	172,464	-	-	-	155,686	1,546,934
Internal Service	-	16,939	-	-	-	-	16,939
	$66,485,587	$805,651	$58,467,182	$ 8,522,633	$1,992,000	$1,367,441	$137,640,494

Transfers are used to move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations; in-lieu-of franchise fees and ad valorem taxes transferred to the General Fund by Water, Wastewater, and Solid Waste; return on investment transferred to the General Fund from the Electric Fund; debt service transfers for payment of principal and interest as these payments are due; and other miscellaneous transfers in accordance with budgetary authorizations.

E. Long-term liabilities

A summary of long-term liabilities, including current portion, for the year ended September 30, 2024, is as follows:

	Balance at Oct. 1, 2023	Increased	Retired	Balance at Sept. 30, 2024	Due within one year
Governmental activities:					
General obligation bonds	$ 237,740,000	$ 101,810,000	$ (22,030,000)	$ 317,520,000	$ 24,960,000
Certificates of obligation	141,480,000	34,370,000	(14,595,000)	161,255,000	16,835,000
Unamortized premium and defeased debt costs	24,204,696	12,298,358	(5,354,223)	31,148,831	-
Landfill post closure cost	14,878,362	876,871	-	15,755,233	-
Compensated absences	28,525,123	5,186,308	(3,071,982)	30,639,449	15,005,141
SBITA	18,492,012	-	(3,306,121)	15,185,891	2,261,034
Insurance claims payable	11,127,124	35,018,158	(35,057,499)	11,087,783	4,939,932
OPEB liability	68,434,538	19,585,113	-	88,019,651	-
Net pension liability	66,791,286	-	(42,341,527)	24,449,759	-
Governmental activities Long-term debt	$ 611,673,141	$ 209,144,808	$ (125,756,352)	$ 695,061,597	$ 64,001,107
Business-type activities:					
Utility System revenue bonds	$ 968,515,000	$ 46,370,000	$ (57,970,000)	$ 956,915,000	$ 48,455,000
General obligation bonds	15,000	-	-	15,000	5,000
Certificates of obligation	12,085,000	6,225,000	(3,095,000)	15,215,000	3,935,000
Unamortized premium and defeased debt costs	65,713,318	4,214,269	(10,461,417)	59,466,170	-
Commercial Paper	41,400,000	125,000,000	(40,000,000)	126,400,000	-
Compensated absences	3,630,914	823,102	(532,274)	3,921,742	2,896,554
Lease	115,276	97,778	(107,028)	106,026	89,582
SBITA	484,870	636,529	(301,545)	819,854	296,958
OPEB liability	23,954,285	6,855,419	-	30,809,704	-
Net pension liability	24,954,986	-	(15,819,911)	9,135,075	-
Asset retirement obligations	575,993	13,824	-	589,817	-
Business-type activities Long-term debt	$ 1,141,444,642	$ 190,235,921	$ (128,287,175)	$ 1,203,393,388	$ 55,678,094

Internal Service Funds predominantly serve the governmental funds. Accordingly, long-term liabilities for those funds are included as part of the above totals for governmental activities. At year-end $8,805,000 of general obligation bond debt, $7,280,000 of certificates of obligation, $1,295,681 of compensated absences, $893,508 of unamortized premium costs, $3,203,994 of pension liabilities, and $14,359,019 of OPEB liabilities from the Internal Service Funds are included in the governmental activities general obligation bonds, certificates of obligation, compensated absences, and OPEB liabilities. Also, for the governmental activities, compensated absences, net pension liabilities, and OPEB claims payable are generally liquidated by the General Fund. For the business-type activities, compensated absences, net pension liability, OPEB claims payable, and leases payable are liquidated with resources from the enterprise fund.

The proceeds of $34,370,000 from the sale of certificates of obligation and $101,810,000 of refunded general obligation bonds for governmental activities are reported as follows:

Fund	Certificates of Obligation	General Obligation Debt	Total Bonded Debt
Capital Project Fund – proceeds from issuance of debt	$ 32,985,000	$ 101,810,000	$ 134,795,000
Internal Service Fund statement of cash flows – proceeds from sale	1,385,000	-	1,385,000
Total	$ 34,370,000	$ 101,810,000	$ 136,180,000

A summary of short-term debt transactions for the year ended September 30, 2024, is as follows:

	Balance at October 1, 2023	Increased	Retired	Balance at September 30, 2024
Governmental activities:				
Commercial Paper	$ 30,000,000	$ 20,000,000	$ 50,000,000	$ -
Governmental activities short-term debt	$ 30,000,000	$ 20,000,000	$ 50,000,000	$ -

Commercial paper notes (CP) are short-term instruments that have maturities ranging from 1 to 270 days. Interest is paid at maturity but principal is rolled forward by issuing new CP. This process continues, typically for three years, until general obligation bonds (GOs) are issued to refinance outstanding CP. Only after GOs are issued do principal payments begin. The combined amortization of the CP and the GOs is set to not exceed 20 years. Utilization of CP enables the City to lower overall debt payments due to the deferral of principal payments and by taking advantage of lower interest rates. CP is only issued as the funds are required throughout the year. Only projects that have been approved as part of a bond referendum may be funded by GO commercial paper. During FY24, the GO commercial paper program was discontinued.

Long-term debt at September 30, 2024, includes the following individual issues (not including the unamortized premium costs of $90,615,001):

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Cumulative Retirement	Outstanding
General obligation bonds:						
2015A Refunding	2.00 – 5.00	2/19/2015	2/15/2035	22,695,000	7,620,000	15,075,000
2015B Refunding	2.00 – 2.55	2/19/2015	2/15/2025	22,490,000	18,835,000	3,655,000
2016 Refunding	5.00 -- 5.00	12/14/2016	2/15/2027	42,040,000	38,060,000	3,980,000
2017 Refunding	2.00 – 5.00	6/13/2017	2/15/2035	41,140,000	27,885,000	13,255,000
2018 Refunding	5.00 -- 5.00	12/20/2018	2/15/2029	47,270,000	26,040,000	21,230,000
2019 Refunding	4.00 – 4.50	12/03/2019	2/15/2030	22,390,000	3,345,000	19,045,000
2021 Refunding	2.00 – 4.00	6/30/2021	2/15/2041	39,340,000	4,240,000	35,100,000
2022 Refunding	4.00 – 5.00	5/31/2022	2/15/2042	47,200,000	-	47,200,000
2022 Taxable Refunding	2.90 – 3.45	5/31/2022	2/15/2026	6,070,000	3,040,000	3,030,000
2023 Refunding	4.00 – 5.00	5/31/2023	2/15/2043	45,285,000	-	45,285,000
2023 Taxable Refunding	4.00 – 5.00	5/31/2023	2/15/2029	10,085,000	1,215,000	8,870,000
2024 Refunding	4.00 – 5.00	5/16/2024	2/15/2044	91,705,000	-	91,705,000
2024 Taxable Refunding	4.96 – 5.21	5/16/2024	2/15/2028	10,105,000	-	10,105,000
				$ 447,815,000	$ 130,280,000	$ 317,535,000
Certificates of Obligation:						
2012 Various purpose	2.00 – 3.375	6/01/2012	2/15/2032	$ 6,755,000	$ 5,700,000	$ 1,055,000
2013 Various purpose	2.00 – 4.00	6/06/2013	2/15/2033	12,725,000	11,080,000	1,645,000
2014 Various purpose	2.00 – 4.00	6/19/2014	2/15/2034	13,475,000	11,745,000	1,730,000
2015 Various purpose	2.50 – 5.00	6/30/2015	2/15/2035	18,205,000	13,830,000	4,375,000
2016 Various purpose	2.00 – 5.00	6/01/2016	2/15/2036	20,210,000	13,410,000	6,800,000
2017 Various purpose	2.00 – 5.00	6/13/2017	2/15/2037	18,140,000	11,155,000	6,985,000
2018 Various purpose	3.375 – 5.00	6/26/2018	2/15/2038	29,955,000	14,045,000	15,910,000
2019 Various purpose	3.00 – 5.00	6/19/2019	2/15/2039	25,125,000	8,340,000	16,785,000
2020 Various purpose	2.00 – 5.00	6/16/2020	2/15/2040	16,510,000	7,280,000	9,230,000
2021 Various purpose	2.00 – 5.00	6/30/2021	2/15/2041	20,725,000	5,475,000	15,250,000
2022 Various purpose	4.00 – 5.00	5/31/2022	2/15/2042	29,380,000	5,525,000	23,855,000
2023 Various purpose	4.00 – 5.00	5/31/2023	2/15/2043	34,410,000	2,155,000	32,255,000
2024 Various purpose	4.00 – 5.00	5/30/2024	2/15/2044	40,595,000	-	40,595,000
				$ 286,210,000	$ 109,740,000	$ 176,470,000

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Cumulative Retirement	Outstanding
Utility system revenue bonds:						
2013 Electric Utility	2.00 – 2.25	6/06/2013	3/01/2025	11,790,000	10,500,000	1,290,000
2014 Electric Utility	2.00 – 5.00	6/30/2014	3/01/2034	85,305,000	31,780,000	53,525,000
2014 Water & Wastewater	3.00 – 3.375	6/19/2014	3/01/2034	38,175,000	38,175,000	-
2015 Electric Utility	2.00 – 5.00	2/19/2015	3/01/2025	15,355,000	14,965,000	390,000
2016A Electric Utility	2.00 – 5.00	12/14/2016	3/01/2026	12,055,000	8,900,000	3,155,000
2016B Electric Utility	4.00 – 5.00	12/14/2016	3/01/2037	36,875,000	9,030,000	27,845,000
2016 Water & Wastewater	3.00 – 5.00	12/14/2016	3/01/2027	16,715,000	10,845,000	5,870,000
2017 Water & Wastewater	4.00 – 5.00	6/13/2017	3/01/2028	21,430,000	11,875,000	9,555,000
2018 Electric Utility Ref	3.625 – 5.00	6/12/2018	3/01/2048	31,985,000	5,315,000	26,670,000
2018 Water & Wastewater Ref	3.50 – 5.00	6/12/2018	3/01/2038	48,310,000	9,430,000	38,880,000
2018A Water & Wastewater Ref	3.00 – 5.00	12/20/2018	3/01/2029	9,700,000	4,275,000	5,425,000
2019 Electric Utility Ref	4.00 – 5.00	2/26/2019	3/01/2049	147,610,000	13,935,000	133,675,000
2019 Water & Wastewater	.17 – .89	8/02/2019	3/01/2034	6,670,000	2,175,000	4,495,000
2019A Electric Utility	4.00 – 5.00	12/03/2019	3/01/2050	140,790,000	41,915,000	98,875,000
2019A Water & Wastewater	3.00 – 5.00	12/03/2019	3/01/2040	50,865,000	16,760,000	34,105,000
2020 Electric Utility	3.00 – 5.00	6/16/2020	3/01/2050	34,145,000	2,100,000	32,045,000
2021 Electric Utility	2.00 – 5.00	2/25/2021	3/01/2051	52,260,000	3,710,000	48,550,000
2021 Water & Wastewater	2.00 – 4.00	2/25/2021	3/01/2041	34,725,000	3,720,000	31,005,000
2021A Electric Utility	3.00 – 5.00	9/01/2021	3/01/2051	53,185,000	1,875,000	51,310,000
2021B Electric Utility	.0459 – 3.20	9/01/2021	3/01/2051	153,105,000	1,700,000	151,405,000
2022 Water & Wastewater	4.00 – 5.00	5/31/2022	3/01/2042	44,350,000	2,840,000	41,510,000
2023 Electric Utility	4.25 – 5.00	5/31/2023	3/01/2053	72,610,000	-	72,610,000
2023 Water & Wastewater	4.00 – 5.00	8/24/2023	3/01/2043	38,680,000	325,000	38,355,000
2024 Water & Wastewater	4.00 – 5.00	5/30/2024	3/01/2044	46,370,000	-	46,370,000
				$1,203,060,000	$246,145,000	$ 956,915,000

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
Tax anticipation notes						
2023 Tax anticipation	4.91	9/28/2023	11/15/2024	$ 40,255,000	$ 40,255,000	$ -
2023 Tax anticipation	4.91	9/28/2023	11/15/2024*	45,750,000	-	45,750,000
				$ 86,005,000	$ 40,255,000	$ 45,750,000

*The City considers this short-term. The notes were called and final payment was made on February 15, 2025.

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
Commercial Paper						
2021 Electric Commercial Paper Issue R-12	3.420-13.165	7/12/2024	10/31/2024	$ 76,400,000	$ -	$ 76,400,000
2021 Electric Commercial Paper Issue R-13	3.420-13.165	8/20/2024	07/12/2024	15,000,000	-	15,000,000
2015 Water/Wastewater Commercial Paper Issue	3.30	9/09/2024	12/05/2024	25,000,000	-	25,000,000
2015 Water/Wastewater Commercial Paper Issue	3.20	9/23/2024	12/05/2024	10,000,000	-	10,000,000
				$ 126,400,000	$ -	$126,400,000

Commercial paper notes (CP) related to the enterprise funds are considered long-term instruments. Interest is paid at maturity but principal is rolled forward by issuing new CP. This process continues, typically for three years, until revenue bonds are issued to refinance outstanding CP. Only after revenue bonds are issued do principal payments begin. The combined amortization of the electric revenue bonds is set to not exceed 30 years. The combined amortization of the water and wastewater revenue bonds is set to not exceed 20 years. Utilization of CP enables the City to lower overall debt payments due to the deferral of principal payments and by taking advantage of lower interest rates. CP is only issued as the funds are required throughout the year. Only projects that have been approved as part of a bond referendum may be revenue commercial paper.

The annual requirements to amortize outstanding debt as of September 30, 2024, including interest payments of $630,813,283 are summarized in the table below. Due to the nature of the obligation for compensated absences, annual requirements to amortize such obligations are not determinable, and are excluded from the summary:

Governmental Activities

Years Ending September 30,	General Obligation Bonds		Certificates of Obligation		Leases/SBITA	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 24,960,000	$ 14,489,123	$ 16,835,000	$ 7,172,535	$ 2,261,034	$ 524,349
2026	17,655,000	12,320,320	15,450,000	6,036,625	2,115,543	447,375
2027	18,460,000	11,486,577	14,610,000	5,312,338	2,069,925	374,790
2028	18,320,000	10,629,547	12,835,000	4,662,991	2,209,697	303,412
2029	14,495,000	9,858,213	11,740,000	4,085,381	1,902,671	227,233
2030-2034	73,790,000	39,430,078	48,140,000	13,232,494	4,627,021	305,124
2035-2039	80,565,000	22,847,497	26,330,000	5,518,553	-	-
2040-2044	69,275,000	6,140,600	15,315,000	1,215,712	-	-
Total	$317,520,000	$127,201,955	$161,255,000	$ 47,236,629	$ 15,185,891	$ 2,182,283

Business-type Activities

Years Ending September 30,	Revenue Bonds		General Obligation Bonds		Certificates of Obligation		Leases/SBITA	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 48,455,000	$ 39,600,713	$ 5,000	$ 525	$ 3,935,000	$ 720,915	$ 386,540	$ 26,584
2026	49,480,000	36,839,942	5,000	275	3,615,000	467,925	325,145	16,804
2027	50,040,000	34,569,482	-	150	3,050,000	301,300	103,493	7,818
2028	49,930,000	32,256,142	5,000	75	2,175,000	170,675	110,702	4,040
2029	48,585,000	29,976,490	-	-	1,410,000	81,050	-	-
2030-2034	201,790,000	120,738,130	-	-	295,000	195,325	-	-
2035-2039	167,520,000	82,658,147	-	-	380,000	119,050	-	-
2040-2044	153,915,000	50,573,901	-	-	355,000	36,825	-	-
2045-2049	140,060,000	22,369,671	-	-	-	-	-	-
2050-2054	47,140,000	2,460,462	-	-	-	-	-	-
Total	$956,915,000	$452,043,080	$ 15,000	$ 1,025	$ 15,215,000	$ 2,093,065	$ 925,880	$ 55,246

At September 30, 2024, the City has authorized but unissued general obligation bonds and general obligation commercial paper in the amount of $242,371,586 as follows:

	Balance at Oct. 1, 2023	General Obligation Bonds Issued	Balance at Sept. 30, 2024
Streets Improvements	$ 133,168,841	$ 18,728,986	$ 114,439,855
Park Improvements	79,408,617	47,076,187	32,332,430
Drainage Improvements	51,057,261	5,108,219	45,949,042
Municipal Facilities	7,763,867	1,334,892	6,428,975
Library Improvements	19,082,999	12,724,449	6,358,550
Public Safety	31,409,032	14,911,225	16,497,807
Animal Shelter	189,555	116,042	73,513
Economic Development	30,396,414	10,105,000	20,291,414
	$ 352,476,586	$ 110,105,000	$ 242,371,586

A reconciliation was performed in FY2024 to the authorized but unissued general obligation bonds and it was determined that corrections were necessary. The beginning balances have been restated to correctly reflect the outstanding balances.

General Obligation Refunding Bonds do not impact the authorized but unissued General Obligation bonds. The City intends to retire all general long-term debt, plus interest, from ad valorem taxes and other current revenues. Revenue Bonds, applicable Certificates of Obligation and applicable General Obligation Bonds are reflected in the appropriate Proprietary Fund operation. Current requirements for principal and interest expenses are accounted for in the appropriate Proprietary Fund operation.

The City has pledged future Electric, Water and Wastewater utility revenues, net of specified operating expenses, to repay $1,061,513,557 in outstanding Electric Utility System Revenue Bonds and $347,444,523 in outstanding Water & Wastewater Utility System Revenue Bonds. Proceeds from the revenue bonds provide financing for the acquisition and construction of various Electric, Water and Wastewater assets. The bonds are payable solely from Electric net revenues and are payable through 2053. Water and Wastewater bonds are payable solely from net revenues from Water and Wastewater and are payable through 2044. Principal paid and interest incurred for the current year was as follows:

Utility Revenue Bonds	Principal	Interest	Total	Pledged Revenue
Electric	$ 29,370,000	$ 29,585,643	$ 58,955,643	$ 151,463,080
Water & Wastewater	18,265,000	10,107,572	28,372,572	66,718,888

Certificates of Obligation and General Obligation Bonds applicable to Proprietary Fund operations are reflected in the appropriate Enterprise and Internal Service Funds and current requirements for principal and interest expenses are accounted for in the applicable fund. These requirements will be met by current revenues.

Debt issues for the year are as follows:

Issue	Principal	Purpose
Certificates of Obligation, Series 2024	$ 40,595,000	Acquiring, constructing, renovating, improving, installing and equipping park and recreational improvements and the acquisition of land and interests in land related thereto; constructing, renovating and equipping municipal drainage improvements, including flood control and flood mitigation improvements; constructing and improving street, including related sidewalks, cycle paths, signage and signalization, landscaping, streetscaping, drainage, utility line relocations and the acquisition of land and rights-of-way therefore; acquisition of vehicles and equipment for the fire, police, and stormwater management departments and programs; constructing, renovating, installing and equipping of buildings, streets and traffic control facilities, and public safety facilities for the police and fire departments, and street department; acquisition of vehicles and equipment for, and acquiring, constructing, installing and equipping additions, extensions, renovations and improvements for the City's sanitation department, including the landfill and transfer station; constructing, equipping, and improving information management services systems; acquiring, constructing, renovating, improving and equipping existing municipal buildings, including HVAC replacement, upgrade, roof replacement and safety upgrades; and professional services rendered in connection therewith including payment of costs of issuance of the Certificates.
General Obligation Refunding Bonds, Series 2024	91,705,000	Commercial paper refunding
General Obligation Bonds, Taxable Series 2024	10,105,000	Fund projects to promote economic development throughout the City, through planning, designing, constructing, improving, extending and expanding public street, utility, and other infrastructure facilities, including the acquisition of land therefor, and through the City's programs for economic development, including the acquisition of improved and unimproved properties, the demolition of existing structures, making grants of bond proceeds and otherwise providing assistance for private commercial, industrial, retail, residential, and mixed-use development, neighborhood revitalization projects, and mixed income development; and pay the costs of issuance associated with the sales of the taxable bonds.
Water & Wastewater System Revenue Refunding Bonds, New Series 2024	46,370,000	Revenue bond and commercial paper refunding
Tax Anticipation Note, Series 2024	45,750,000	Short term capital projects

On May 30, 2024, the City issued $46,370,000 in Water & Wastewater Revenue Refunding Bonds, New Series 2024 to refund $10,335,000 of outstanding Water & Wastewater System Revenue Bonds, Series 2013, and takeout $40,000,000 of outstanding commercial paper. The refunded bonds are considered defeased and the liability for those bonds have been removed from the City's financial statements. As a result of the refunding, the City decreased its total debt service payments over the next ten years by $1,045,747, and obtained an economic gain (difference between the present values of the debt service payments of the old and new debt) of $860,930.

On May 16, 2024, the City issued $91,705,000 in General Obligation Refunding Bonds, Series 2024 to takeout $50,000,000 of outstanding commercial paper and issue $50,000,000 for improvements.

In current and prior years, the City legally defeased certain bonds and certificates of obligation by placing cash and/or proceeds of refunding bond issues in an irrevocable trust to provide for all future debt services payments on the refunded debt. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of Sept. 30, 2024, there were no outstanding balances of defeased bonds.

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed or are not performed correctly, a liability to the City could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the Internal Revenue Service's rules and regulations. The City did not identify and material arbitrage liability as of Sept. 30, 2024.

Leases Payable

The City has entered into lease agreement as a lessee. The lease allows the right to use office space over the term of the lease. The City is required to make monthly payments at its incremental borrowing rate or the interest rate stated or implied within the lease. The lease rate, term, and end balance are as follows:

Business-Type Activities	Final Maturity	Interest Rate	Liability at Commencement	Ending Balance
Office space	11/30/2025	.227%	$409,785	$106,026

Subscription Based Information Technology Arrangements (SBITA)
The City has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The City is required to make monthly, quarterly, or annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term, and ending subscription liability are as follows:

	Interest Rate(s)	Subscription Term in Years	Ending Balance
Governmental activities			
Public Safety software	3.48%	9 years	$ 7,486,444
HCM/Finance software	3.16% – 3.48%	7 years	4,745,310
Operational software	3.16% – 3.48%	10 years	1,477,371
Other Arrangements	3.31%	5 years	1,476,766
Total governmental activities			$ 15,185,891
Business-type activities			
Other arrangements	2.57% -- 3.65%	5 years	$ 819,853
Total business-type activities			$ 819,853

The value of the subscription assets as of the end of the current year was $16,005,744 and had accumulated amortization of $7,647,423.

F. Retirement Plans

Plan Description

The City participates as one of 921 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act), as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at www.tmrs.com.

All eligible employees of the City are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credit for service since the plan began are 200% of the employee's accumulated contributions. In addition, the City granted another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence and if the employee's salary had always been the average of his/her salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

A summary of the plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required to vesting	5
Service retirement eligibility	age 60 with five or more years of service or with 20 years of service regardless of age

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	1,799
Inactive employees entitled to but not yet receiving benefits	1,019
Active employees	2,124
	4,942

Contributions

Member contribution rates in TMRS are either 5%, 6%, or 7% of Member's total compensation, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The city's contribution rate is based on the liabilities created from the benefit plan options selected by the city and any changes in benefits or actual experience over time.

Employees of the City were required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City were 11.14% and 10.83% in calendar years 2023 and 2024, respectively. The City's contributions to TMRS for fiscal year 2024, were $21,773,233, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on service-related table. Mortality rates for active members are based on the PUB (10) mortality tables with 100% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4_year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over a four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rate (APRs) is based on the Mortality Experience Investigation Study covering 2009 thru 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2024 are summarized in the following table:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return (Arithmetic)	
Global Equity	35.0	%	6.70	%
Core Fixed Income	6.0		4.70	
Non-Core Fixed Income	20.0		8.00	
Other Public and Private Markets	12.0		8.00	
Real Estate	12.0		7.60	
Hedge Funds	5.0		6.40	
Private Equity	10.0		11.60	
Total	100.0	%		

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Member and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefits payments to current active and inactive Members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Balance at December 31, 2022	$1,164,492,863	$ 1,072,746,591	$ 91,746,272
Changes for the year:			
Service Cost	28,035,696		28,035,696
Interest (on the total pension liability)	77,329,845		77,329,845
Difference between expected and actual experience	(3,175,432)		(3,175,432)
Change in assumptions	(5,182,162)		(5,182,162)
Benefit payments, including refunds of employee contributions	(65,766,769)	(65,766,769)	-
Contributions-employer		19,450,670	(19,450,670)
Contributions – employee		12,572,061	(12,572,061)
Net investment income		123,942,041	(123,942,041)
Administrative expense		(789,866)	789,866
Other		(5,521)	5,521
Net changes	31,241,178	89,402,616	(58,161,438)
Balance at December 31, 2023	$1,195,734,041	$ 1,162,149,207	$ 33,584,834

Sensitivity of the net pension liability (asset) to changes in the discount rate

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1 % Increase 7.75%
$ 173,323,788	$ 33,584,834	$ (84,163,322)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at www.tmrs.com.

Pension Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions

For the year ended September 30, 2024, the City recognized pension expense of $12,743,703.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ 1,270,898	$ (4,915,805)
Difference in assumption changes	-	(3,982,590)
Difference between projected and actual investment earnings on pension plan investments	30,327,997	-
Employer contributions subsequent to the measurement date	15,682,530	-
	$ 47,281,425	$ (8,898,395)

Deferred outflows of resources of $15,682,530 related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows or resources related to pension will be recognized in pension expense as follows:

Year ended September 30,	
2025	$ 6,123,631
2026	6,690,904
2027	20,811,371
2028	(10,925,406)
Total	$ 22,700,500

G. Other postemployment benefits

City of Garland other postemployment benefit plan

Plan Description

The City makes available health care benefits to all employees who work for the City of Garland a minimum of five years, meet the Texas Municipal Retirement System (TMRS) criteria listed on page 76, and elect coverage at the time of retirement and maintain continuous, uninterrupted coverage. Benefit provisions are established by management and funding is approved by City Council annually, during the budget process.

In 2008, the City established an irrevocable trust fund in an effort to begin funding the actuarial determined OPEB unfunded liability and to ensure that funding is available in the future for retiree medical benefits. In 2024, the City Council approved a transfer of $1,760,000 to the trust, and a long-term funding strategy was implemented to increase the annual contribution to this trust with a goal of fully funding the annual OPEB obligation after ten years.

The OPEB trust investments are held in the Public Agencies Retirement Services (PARS) Post-retirement Health Care Plan Trust by its trustee, US Bank. US Bank has delegated investment management responsibilities to HighMark Capital Management, Inc. (Investment Manager), a SEC-registered investment advisor. The Trust investment guideline mandates a diversified portfolio designed to generate long-term returns that, when combined with contributions, will result in sufficient assets to pay future obligation associated with the retiree health plan.

Benefits Provided

The City of Garland provides insurance to eligible pre-65 retirees, their spouses and dependents through the City's self-insured group health plan. Post-65 retirees are offered a fully insured Medicare Supplement Plan through Hartford, who assumes all claims risk liability on this group of retirees. The City makes contributions towards retiree health care benefits. However, the City reduces its liability and risk by capping the annual increase to the City contribution to a maximum of 3% per year. For FY2024, the monthly City contribution per participant for the retiree group as a whole was $532.37.

As of December 31, 2023 biennial actuarial valuation, the Plan's membership consisted of the following:

Number of plan members	Medical
Retirees and dependents currently receiving benefits	1,025
Inactive members entitled to benefits, but not yet receiving them	-
Active members	1,983
Total	3,008

Contributions and Funding Policy

The City has the authority to establish and amend the Plan contributions. The City makes an annual contribution to the Trust fund; the funding is established and approved by City Council as part of the City budget process. For the year ended September 30, 2024, the City's average contribution rate was 3.12 percent of the covered payroll. Monthly retiree premiums are utilized to fund current medical claims and are based on the benefit election of the Plan member.

Net OPEB Liability

The City's net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

Actuarial Valuation Date	12/31/2023
Actuarial Cost Method	Entry Age Normal
Asset valuation method	Fair value
Inflation	2.50%
Projected salary increase	3.00%
Discount rate	4.7%
Healthcare cost trend rates	All years capped at 3.0%
Mortality	Non Annuitants – Sex distinct PUB 2010 general employee headcount weighted mortality table with mortality improvement scale MP-2021. Annuitants – Sex distinct PUB 2010 retiree headcount weighted mortality table with mortality improvement scales MP-2021.

Rate of Return

The long-term expected rate of return on OPEB plan investments will be managed on a total return basis which takes into consideration both investment income and capital appreciation. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Geometric)
Large Cap	26.4 %	7.00 %
Mid Cap	4.8	7.60
Small Cap	5.9	7.20
International	9.2	7.80
Emerging Markets	2.4	8.80
Real Estate	2.4	7.50
Intermediate Term Bond	45.6	3.90
Government Bonds	0.00	3.90
Mortgage Backed Securities	0.00	6.50
Cash	3.3	2.90
Total	100.00 %	

The long-term expected rate of return is 6.75%. The expected return is determined through a combination of historical rates of return, valuation projections, and economic expectations.

Discount rate

The discount rate used to measure the Total OPEB Liability was 4.7%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the OPEB plan's Fiduciary Net Position was projected to be available to make all projected future benefits payments to current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all period of projected benefit payments to determine the total OPEB liability.

The discount rate for the 12/31/2023 measurement was 4.7% which caused an actuarial gain. The discount rate for the 12/31/2022 measurement was 4.15%. The discount rate incorporates a blend of the expected rate of return and the yield of a set of 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of December 31, 2023, the measurement date (6.75% and 4.00%, respectively).

Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balance at December 31, 2022	$ 97,371,656	$ 12,419,395	$ 84,952,261
Changes for the year:			
Service Cost	2,080,963	-	2,080,963
Interest (on the total OPEB liability)	5,260,690	-	5,260,690
Difference between expected and actual experience	816,935	-	816,935
Change in assumptions	30,319,531	-	30,319,531
Benefit payments, including refunds of employee contributions	(7,259,006)	(7,259,006)	-
Contributions-employer	-	10,694,006	(10,694,006)
Net investment income	-	2,059,481	(2,059,481)
Administrative expense	-	(71,154)	71,154
Net changes	31,219,113	5,423,327	25,795,786
Balance at December 31, 2023	$ 128,590,769	$ 17,842,722	$110,748,047

Plan fiduciary net position as a percentage of the total OPEB liability is 13.88%.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, calculated using the discount rate of 4.7%, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.7%) or 1-percentage-point higher (5.7%) than the current rate:

1% Decrease 3.7%	Current Single Rate Assumption 4.7%	1 % Increase 5.7.%
$ 129,846,804	$ 110,748,047	$ 95,331,951

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the City, calculated using the discount rate of 4.7% as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rate:

1% Decrease 2.0%	Current Single Rate Assumption 3.0%	1 % Increase 4.0%
$ 93,317,848	$ 110,748,047	$ 132,541,582

OPEB Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB

For the year ended September 30, 2024, the City recognized OPEB expense of $15,503,911.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ 2,022,746	$ -
Difference in assumption changes	28,787,606	(2,739,062)
Difference between projected and actual investment earnings on pension plan investments	744,577	-
Employer contributions subsequent to the measurement date	1,966,121	-
	$ 33,521,050	$ (2,739,062)

Deferred outflows of resources of $1,966,121 related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows or resources related to pensions will be recognized in OPEB expense as follows:

Year ended September 30,	
2025	$ 7,133,607
2026	6,847,534
2027	4,677,432
2028	4,967,882
2029	5,189,412
Total	$ 28,815,867

Supplemental Death Benefits Plan (SDBF)

Texas Municipal Retirement System (TMRS) administers a defined benefit group-term life insurance plan known as Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members and retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of $7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (pay as you go plan). The retiree portion of the SDBF is considered to be a single-employer, defined benefit OPEB plan.

Detail information about the SDBF OPEB plan is available in a separately-issued TMRS financial report. That report may be obtained on the internet at www.tmrs.com.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employee's entire careers. The SDBF contribution rate for retirees is .16%.

As of December 31, 2023, membership in the plan consisted of the following:

Inactive employees currently receiving benefits	1,357
Inactive members entitled to benefits, but not yet receiving them	255
Active members	2,124
Total	3,736

The City's OPEB liability is measured as of December 31, 2023, and the total OPEB liability was determined by an actuarial valuation as of December 31, 2023.

Actuarial Assumptions

Inflation	2.5%
Salary increases	3.6% to 11.85% including inflation
Discount rate*	3.77%
Retirees' share of benefit-related costs	$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates-service retirees	2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality rates-disabled retirees	2019 Municipal Retirees of Texas mortality tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis of Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA index" rate as of December 31, 2023.

Changes in Total OPEB Liability

Beginning at December 31, 2022	$ 7,436,562
Service Cost	233,483
Interest on the total OPEB liability	300,454
Differences between expected and actual experience	586
Change in assumptions	379,624
Benefit payments	(269,401)
Net change in total OPEB liability	644,746
Ending at December 31, 2023	$ 8,081,308

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the Total OPEB liability of the City, calculated using the discount rate of 3.77%, as well as what the City's Total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77%) or 1-percentage-point higher (4.77%) than the current rate:

1% Decrease	Current Discount Rate Assumption	1 % Increase
2.77%	3.77%	4.77%
$ 9,499,939	$ 8,081,308	$ 6,951,895

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2024, the City recognized OPEB expense of $285,568.

At September 30, 2024, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 18,838	$ (376,612)
Difference in assumption changes	1,119,902	(2,232,488)
Employer contributions subsequent to the measurement date	225,243	-
	$ 1,363,983	$ (2,609,100)

Deferred outflows of resources of $225,243 related to OPEB resulting from retiree contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows or resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30,	
2025	$ (271,167)
2026	(311,365)
2027	(493,762)
2028	(438,986)
Thereafter	44,920
Total	$ (1,470,360)

H. Self-Insurance

Self-insurance for general and auto liability exposure and workers' compensation is maintained in the Self-Insurance Fund of the Internal Service Fund. A private insurance company administers workers' compensation claims and losses for the City. Self-insurance premiums of $11,941,732 were collected from funds that participate in these. Claims settlement and loss expenses are accrued in the Self-Insurance Fund for the estimated settlement value of claims reported and incurred but not reported arising from incidents during the period. A liability, insurance claims payable, has been established. The reported liability includes actuarially determined present value projected losses for general, auto, and workers' compensation exposure. In determining projected losses, coverages with material incurred losses were compared to expected industry loss levels for prior periods. Based on this comparison, an experience modifier was selected and applied to current indicated industry premiums per exposure unit to obtain expected losses as of September 30, 2024, at the selected per occurrence limits. Based on a current independent actuarial analysis completed in December 2024 claims payable as of September 30, 2024 was estimated at $5,644,644.

Long-Term Disability (LTD) claims are paid from the LTD Insurance Fund, which is funded with City and employee contributions. A private company administers the long-term disability claims and losses for the City. Based on a current independent actuarial analysis, an actuarially determined liability of $3,228,223 has been established for projected future claims.

Group medical benefits are paid from the Group Health Fund, which has an annually negotiated stop loss provision. Revenues are recognized from payroll deductions for employee dependent coverage and from City contributions for employee coverage. At September 30, 2024, a short-term liability of $2,214,914 was recognized for open claims and claims incurred but not reported. The claims incurred but not reported are calculated based on a monthly average for claims paid during the current fiscal year.

There were no significant reductions in insurance coverage in the current year from coverage in the prior year, nor have there been any settlements that have exceeded insurance coverage for each of the past three fiscal years.

Changes in the self-insurance, long-term disability and group health insurance claims payable in fiscal years 2023 and 2024 were:

Internal Service Fund	Beginning of Fiscal Year Liability	Current Year Claims	Changes in Estimates	Claim Payments	Balance at Fiscal Year – End	Current Portion
Self-Insurance – 2023	$ 5,654,887	$ 632,433	$ -	$ 632,433	$ 5,654,887	$ 2,774,500
Self-Insurance – 2024	5,654,887	821,073	(10,243)	821,073	5,644,644	2,409,814
Long-Term Disability – 2023	3,677,127	449,507	-	449,507	3,677,127	490,000
Long-Term Disability – 2024	3,677,127	355,052	(448,904)	355,052	3,228,223	315,204
Group Health – 2023	2,683,918	30,024,903	(888,808)	30,024,903	1,795,110	1,795,110
Group Health – 2024	1,795,110	33,422,227	419,804	33,422,227	2,214,914	2,214,914

I. Texas Municipal Power Agency

The Texas Municipal Power Agency (TMPA) was created in 1975 pursuant to legislation that was passed by the 64th Legislative Session. TMPA, a municipal corporation, is governed by a Board of Directors, where each member city appoints two representatives to the Board. In 1976, the City along with the cities of Bryan, Denton, and Greenville (collectively "the Member Cities") entered into identical Power Sales Contracts with TMPA. For more than 40 years, the Power Sales Contract governed the relationship between, and the rights and obligations of, TMPA and each of the Member Cities with respect to, among other items, generation, transmission, and sale of electric energy to each Member City. On September 1, 2018, TMPA made the final debt service payment on TMPA's generation debt which extinguished the Member City's unconditional obligation with respect to such TMPA debt. The Power Sales Contract expired by its terms and none of the Member Cities elected to extend the Power Sales Contract beyond September 30, 2018.

TMPA and the Cities entered into a Joint Operating Agreement (JOA) effective September 1, 2016. The JOA represents the post-2018 plans for TMPA and the Cities and is intended to provide terms of agreement for (i) TMPA operations outside the scope of the Power Sales Contract, (ii) matters relating to decommissioning of the Gibbons Creek power plant, (iii) disposition of TMPA assets, and (iv) matters relating to dissolution of TMPA, at such time as it may be dissolved. Among other matters, the JOA (i) allocates the costs of TMPA transmission operations to the Member Cities in accordance with Member City percentages as they existed at expiration of the Power Sales Contract, (ii) establishes formulas for determining each Member City's ownership interest in TMPA assets (such calculations generally being based on each City's proportional share of payments made to TMPA) and used to allocate TMPA assets or proceeds of the sale thereof to each Member City, and (iii) provides for the allocation among the Member Cities of TMPA transmission assets if a majority of the Member Cities authorize the transfer of ownership of the TMPA transmission assets. The JOA divides TMPA assets and operations into three business categories – generation, transmission, and mining – and establishes protocols for Member Cities to exit one or more business categories.

During FY2024, the City paid TMPA $484,751 for charges related to ongoing operations.

Total debt of TMPA at September 30, 2024, amounted to $199,737,000 of which $5,632,000 represented the current portion. TMPA's outstanding long-term debt and short-term debt obligations are all associated with TMPA's transmission system and are payable from and secured by TMPA's transmission net revenues.

TMPA
Outstanding Debt Amounts
September 30, 2024
(reported in thousands)

	Long-Term	Current	Total
Revenue Bonds	$ 161,005	$ 5,632	$ 166,637
Tax Exempt Commercial Paper	33,100	-	33,100
	$ 194,105	$ 5,632	$ 199,737

Prepaid Energy Costs, Impairment of Prepaid Energy Costs, and Regulatory Assets

On March 1, 2010, the City issued Combination Tax & Electric Utility System Revenue Refunding Bonds, Series 2010 with a maturity of 20 years for the purpose of prepaying certain contractual obligations to TMPA. The principal amount of the bonds was $126,885,000 with a reoffering premium and other bond issuance costs of $11,367,850 for a total of $138,252,850. Since the proceeds of this debt issuance were placed with TMPA and the City received an economic benefit over a period of years, an Other Asset was recorded in the Electric Fund Statement of Net Position in the amount of $138,252,850. The City is amortizing the Other Asset over a period of 20 years with a half year convention. The generation portion of the Other Asset was impaired in 2017 and 2018 leaving only the transmission portion of the Other Asset. On September 30, 2024, TMPA Transmission Asset had a balance of $2,550,451.

On September 30, 2017, the City impaired 37.9% of the generation portion of the Other Assets when the TMPA Board of Directors approved a plan of "seasonal operations". The total impairment was $50,045,780. On September 30, 2018, the City impaired the remaining generation portion of the Other Asset when ERCOT was notified of the plan to suspend operations indefinitely. The impaired portion was recorded as a GASB 62 Regulatory Asset in Other Assets to be amortized through FY2030. On September 30, 2024, the Generation Regulatory Asset had a balance of $35,469,083.

In February 2021, the state of Texas experienced an unprecedented winter weather event, Winter Storm Uri, resulting in severe cold weather, snow, and ice. The storm caused power outages across the state. As a result, energy and natural gas prices increased dramatically from February 11 to February 24, 2021. The City recorded a Regulatory Asset of $137,343,717. The asset was calculated by looking at historical prices for the same period and recording the additional costs incurred as a regulatory asset. The asset will be amortized over thirty years. In FY2023, the value of this Regulatory Asset was increased by $906,004. This adjustment reflects the recognition of ERCOT short payments that are not expected to be recovered. On September 30, 2024, the Winter Storm Uri regulatory asset had a balance of $122,162,708.

To qualify to utilize GASB 62, the following must apply:

- The regulated business-type activity's rate for regulated services provided to its customers are established by or are subject to approval of an independent, third-party regulator or by its own governing board empowered by statute or contract to establish rates that bind customers.
- The regulated rates are designed to recover the specific regulated business-type activity's costs of providing the regulated services.
- In view of the demand for the regulated services or products and the level of competition, direct and indirect, it is reasonable to assume that rates set at levels that will recover the regulated business-type activity's costs can be charged to and collected from customers. This criterion requires consideration of anticipated changes in levels of demand or competition during the recovery period for any capitalized costs.

The City of Garland qualifies to utilize GASB 62 due to:

- State and local statues empower the City of Garland City Council to establish retail rates.
- The City of Garland specific costs are recovered through City of Garland retail rates.
- Current and projected customer demand support the recovery of City of Garland cost of service.

	February 2021 Winter Storm URI	TMPA Transmission	GASB 62 TMPA PPD Demand Regulatory Asset	Total Other Asset
Balance Sept. 30, 2023	$ 126,772 622	$ 3,014,169	$ 41,918,007	$ 171,704,798
Other asset amortization	(4,609,914)	(463,718)	(6,448,924)	(11,522,556)
Balance Sept. 30, 2024	$ 122,162,708	$ 2,550,451	$ 35,469,083	$ 160,182,242

Financial statements for TMPA are available from the TMPA website texasmpa.org or through the City of Garland Financial Services Department.

J. Deferred Compensation Plan

The City offers its non-civil service employees a voluntary deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan, available to all permanent City employees, permits participants to contribute annually the amount up to the annual contribution limit allowed by the IRS. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

In addition, the City offers to civil service employees a voluntary deferred compensation plan created in accordance with Internal Revenue Code Section 457 which is known as the Retirement Stability Benefit Plan (RSB Plan). Due to the fact that Civil-Service employees do not contribute to Social Security, the City created the RSB plan to provide sworn Firefighters and Police Officers the option to supplement their retirement benefits by making both pre-tax and post-tax contributions to their plan. In FY2024, if civil-service employees contributed at least 2.75% of their gross pay per pay period, the City would match 2.25%. The total amount contributed by the City for Fiscal Year 2024 was $1,474,716. It should be noted that City Council approved an incremental increase of 0.25% to the plan for FY2025. Therefore, for FY2024 civil-service employees that contribute at least 3.0% of their gross pay per pay period will receive a 2.5% match from the City. This plan is available to all City civil-service employees and permits annual contributions from both employees and the City up to the annual contribution limit allowed by the IRS. The deferred compensation is not available to the civil service employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under both of the plans, all property and rights purchased with those amounts, and all income attributable to these amounts, property, or rights are held in trust for the exclusive benefits of participants and their beneficiaries.

K. Governmental Activity Component Units

The Garland Public Facility Corporation (GPFC) was organized for the purpose of assisting the City in financing, refinancing, or providing public facilities. GPFC is reported as a blended component unit in the non-major governmental fund. As of September 30, 2024, the condensed combining information for GPFC is $3,521,016 for contributed land reported in governmental activities on the government wide statement of net position and statement of activities.

The Garland Foundation for Development (GFFD) was organized to promote economic development within the City of Garland. GFFD is reported as a blended component unit in the non-major governmental fund. As of September 30, 2024, the condensed combining information for GFFD is $37,231,677 for contributed land reported in governmental activities on the government wide statement of net position and statement of activities.

L. Landfill Closure and Post-closure Care Cost

As of September 30, 2024, the total estimated landfill closure/ post-closure cost for the City's Castle Drive landfill, Hinton landfill, and transfer station is $2,028,694, $32,021,141 and $173,214 respectively. The $15,755,233 reported as landfill closure and post-closure care liability represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the Castle landfill, 47.05% use of the Hinton landfill, 100% of the closure cost for the transfer station, less post closure expenditures to date of $1,511,885. The City will recognize the remaining estimated closure and post-closure care costs of $16,955,932 as the percentage of capacity depletion increases. These amounts are based on an engineering study performed in 1996 and updated in 2023, which estimated cost to perform all closure and post-closure care. In addition, the closure and post-closure care cost were adjusted for inflation annually based on the most recent Implicit Price Deflator for Gross National Product published by the United States Department of Commerce. Actual cost may differ from the estimate due to inflation, changes in technology, or regulatory changes. The Hinton landfill has an estimated remaining useful life of 24.3 years.

Since the City's Landfill operation is a general government function, a special revenue fund was established to account for actual landfill closure and post-closure care funding sources and expenditures as they are incurred. Based on the City's current landfill closure financial strategy, $2.4 million in Certificates of Obligation will be issued to finance the one time closure cost and the on-going post closure care will be paid from operating funds.

M. Economic Incentives and Tax Abatements

The City enters into economic development and tax abatement agreements in order to spur commercial activity, generate additional sales tax revenue, enhance the property tax base, and provide increased economic vitality to the City. All abatement projects meet a minimum threshold point total based on full-time jobs, annual payroll, value of new or remodeled facilities, value of machinery and equipment, value of inventory, annual sales tax generated, or Garland Power & Light electric usage. All abatements must be approved on a case-by-case basis negotiated by City staff and approved by the City Council. Recipients receiving assistance generally commit to building or remodeling real property and related infrastructure, expanding operations, renewing facility leases and bringing targeted businesses to the City. Recipients are largely required to meet and maintain minimum thresholds of real and personal property values, full time employees, number of tenants or other provisions specific to an individual recipient. Agreements are generally made for a minimum of five years and generally contain recapture provisions which may require repayment or termination if a recipient fails to meet the required provisions.

The City has two categories of economic development agreements:

Tax Abatements – Under Chapter 312 of the Texas Tax Code the City is allowed to designate tax reinvestment zones and negotiate tax abatement agreements with applicants within these zones. The abatement agreements authorize the appraisal districts to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement. A summary of Chapter 312 Tax Abatements for the year ended September 30, 2024, is as follows:

Abatement Type	Active Agreements	Total Taxes Abated FY24
Business Personal Property Tax	1	$ -

Tax Rebates – Under Chapter 380 of the Texas Local Government Code, the City is allowed to enter into agreements in order to stimulate economic activity. These agreements may rebate a flat amount or percentage of real property, personal property or sales taxes received by the City. A summary of Chapter 380 tax rebates for the year ended September 30, 2024 is as follows:

Abatement Type	Active Agreements	Total Taxes abated FY24
Ad Valorem Tax	4	$ 355,232
Business Personal Property Tax	8	292,055
Sales Tax	2	439,544

N. Commitments and Contingent Liabilities

The City has been named as a defendant or co-defendant in a number of personal injury cases. While the outcome of these cases is not known at this time, the City attorney and City management are of the opinion that any awards to injured parties which must be paid in excess of amounts covered by insurance will not be material to the financial position of the City.

A number of other claims against the City, as well as certain other matters of litigation, are pending with respect to various matters arising in the normal course of the City's operations. The City attorney and City management are of the opinion that the settlement of these other claims and pending litigation will not have a material adverse impact on the City's financial position.

The City participates in a number of State and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement that may arise as the result of these audits is not believed to be material.

On December 19, 2013, the City entered into a twenty (20) year energy purchase power agreement with Spinning Spur Wind Three, LLC. The agreement extends from the start hour 1:00 of the Commercial Operation Date and ends at the completion of hour 24:00 of the day immediately preceding the twentieth anniversary. The City purchases 26% of the output from the 194MW facility. Commercial Operations began September 28, 2015.

On August 28, 2014, the City entered into a twenty-five (25) year energy purchase power agreement with Los Vientos Windpower V, LLC. The agreement extends from the start of hour 1:00 of the Commercial Operation Date and ends at the completion of hour 24:00 of the day immediately preceding the twenty-fifth anniversary. The City purchases 45.96% of the output from the 110MW facility. Commercial Operations began December 23, 2015.

On June 12, 2015, the City entered into a fourteen (14) year energy purchase power agreement with Salt Fork Wind, LLC. The agreement extends from the start of hour 1:00 (CPT) of the Commercial Operation Date and ends at the completion of hour 24:00 (CPT) of the day immediately preceding the fourteenth anniversary. The City purchases up to 150MW from the facility. The City has contracts to sell 77% of this energy downstream. Commercial Operations began December 1, 2016.

On October 27, 2015, the City entered into a twenty (20) year energy purchase power agreement with Albercas Wind Energy II, LLC. From the effective date, the agreement extends until 23:59:59 (CPT) on the day prior to the 20th anniversary of the Commercial Operation Date. The City purchases up to 96MW from the facility. The City has contracts to sell 74% of this energy downstream. Commercial Operations began November 13, 2016.

On December 28, 2015, the City entered into a fifteen (15) year energy purchase power agreement with BNB Lemesa Solar LLC. The agreement extends from the start of hour 1:00 (CPT) of the Commercial Operation Date and ends at the completion of hour 24:00 (CPT) of the day immediately preceding the fifteenth anniversary. The Commercial Operation Date is anticipated to be no later than March 31, 2017. The City will purchase 102 MW from the facility. The City has contracts to sell 49% of this energy downstream. Commercial Operations began April 27, 2017.

On November 20, 2018, the City entered into renewable purchase power agreement with Engie Long Draw Solar LLC. The agreement extends fifteen (15) years following the Commercial Operation Date. The City will purchase up to 25 MW from the facility. Commercial Operations began December 11, 2020.

On December 11, 2018, the City entered into a renewable purchase power agreement with Concho Bluff LLC. The agreement extends fifteen (15) years following the Commercial Operation Date. The Commercial Operation Date of the facility occurred on February 12, 2021. The City is purchasing 50 MW from the facility. On or about May 1, 2022, a hail storm caused a forced outage to a portion of the facility. The facility is currently generating approximately 50% of the energy originally expected. On January 12,2024, an amendment to the original contract was signed. The amendment defines a Rebuild Commercial Operation Date of no later than December 31, 2025. Until the Rebuild Completion Date, the City's purchase power will be 31.25 MW. After the Rebuild Completion Date the agreement will adjust to 25 MW with the City retaining the first right of refusal of an additional 25 MW for a five (5) year period after the First Amendment Date. The amended contract extends twelve (12) years from Rebuild Commercial Operation Date.

The City executed confirmations through December 31, 2032, under its International Swaps and Derivatives Association Inc. (ISDA) Master Agreement to purchase electricity under specific terms and conditions. Management believes the purchase of electricity under the specific terms and conditions of the confirmation were for normal purchases/normal sales and non-speculative in nature.

O. Derivative Instruments

In an effort to mitigate the financial and market risk associated with the purchase of natural gas, energy, and congestion price volatility, the City has established a Risk Management Program. This program was authorized by the City Council and is led by the Risk Oversight Committee. Under this program, the City enters into forward contracts for natural gas and energy for the purpose of reducing exposure to natural gas and energy price risk. Use of these types of instruments for the purpose of reducing exposure to price risk is performed as a hedging activity. These contracts may be settled in cash or delivery of certain commodities. The City typically settles these contracts by delivery of certain commodities.

The City applies GASB Statement No 53 – *Accounting and Financial Reporting for Derivative Instruments*, ("GASB 53"), which addresses the recognition, measurement, and disclosures related to derivative instruments. The City utilizes natural gas commodity swaps to hedge its exposure to fluctuating fuel prices. Since these derivative instruments are entered into for risk mitigation purposes, the instruments are considered potential hedging derivative instruments under GASB 53. The City evaluated all potential hedging derivative instruments for effectiveness utilizing the consistent critical terms method as of September 30, 2024, and as of September 30, 2023, and determined the derivative instruments to be effective in substantially offsetting the change in cash flows of the hedgeable items. These derivative instruments act as cash flow hedges.

At September 30, 2024, the total fair value of outstanding hedge instruments was a net asset of $2,314,270. Fuel hedging instruments with a fair value of $32,090 are classified on the Statement of Net Position as a non-current asset. Fuel hedging instruments with a fair value of $2,246,360 are classified on the Statement of Net Position as a current liability. As of September 30, 2023, the total fair value of outstanding hedge instruments was a net asset of $4,465,523. Fuel hedging instruments with a fair value of $409,322 are classified on the Statement of Net Position as a non-current asset. Fuel hedges with a fair value of $4,466,523 are classified as a current asset. Changes in fair value as of September 30, 2024, of $1,904,948 are reflected in deferred inflows. The following information details the City Electric Fund's hedging derivative instruments below:

Derivative transactions as of September 2024:

Type	Terms	Notional Amount (MMBtu)	Purchase Dates	Maturity Dates	Referenced Index	Fair Value
Commodity Swaps	City pays prices of $2.58 - $4.00	5,856,137	Dec 2022-Feb 2024	Oct 2024-Dec 2025	NYMEX	$ 2,314,270
		5,856,137				$ 2,314,270

Derivative transactions as of September 2023:

Type	Terms	Notional Amount (MMBtu)	Purchase Dates	Maturity Dates	Referenced Index	Fair Value
Commodity Swaps	City pays prices of $3.250 - $4.000	5,037,067	Dec 2021-Dec 2022	Oct 2023-Dec 2024	NYMEX	$ 4,465,523
		5,037,067				$ 4,465,523

At September 30, 2024, the City had twelve customers to provide wholesale power supply and/or qualified scheduling entity services. The contract terms extend up to November, 2036. For the power supply customers, the City charges an energy charge which is based on the quantity of power supplied multiplied by a fixed price, or multiplied by a fixed heat rate and a fuel index price. In order to hedge the City's risk, the City has entered into corresponding power supply agreements with counterparties to hedge against energy price or heat rate fluctuation in the market.

Congestion Revenue Rights

Pre-assigned Congestion Revenue Rights (PCRRs) and Congestion Revenue Rights (CRRs) function as financial hedges against the cost of resolving congestion in the Electric Reliability Council of Texas (ERCOT) market. These instruments allow the City to hedge expected future congestion that may arise during a certain period. CRRs are purchased at auction, annually and monthly at fair market value. Municipally owned utilities are granted the right to purchase PCRRs annually at 10-20% of the cost of CRRs. At September 30, 2024, the City held CRRs with a cost and fair value of $566,567, that the City expects to use in normal operations, which is recorded as prepaid expense in the Electric fund.

Risks

Credit Risk. The City's over-the-counter agreements for natural gas and energy expose the City to credit risk. In the event of default, the City's operations will not be materially affected. However, the City does not expect the counterparties to fail to meet their obligations. The City maintains contracts with contractual provisions under the ISDA, EEI (Edison Electric Institute), and NAESB (North American Energy Standards Board) agreements. As of September 30, 2024, the City had outstanding forward purchase contracts extending through December 31, 2032, which are expected to be settled through physical delivery.

The City monitors the credit ratings of all of its counterparties to adhere to the City's Risk Management Policy. Any counterparty that does not have at least a BBB- credit rating must be approved by the Risk Oversight Committee.

The congestion revenue rights expose the City to custodial credit risk in the event of default or nonperformance by ERCOT. In the event of default or nonperformance, the City's operations will not be materially affected. However, the City does not expect ERCOT to fail in meeting their obligations as they are a regulatory entity of the State of Texas.

Basis Risk. The City could be exposed to basis risk on its fuel hedges if the expected commodity purchases being hedged will price based on a delivery point (WAHA/Katy/HSC) different than that at which the financial hedging contracts are expected to settle NYMEX (Henry Hub).

Termination Risk. Termination risk is the risk that a derivative instrument will terminate prior to its scheduled maturity date due to a contractual event. Contractual events include illegality, tax and credit events upon merger and other events. The City's exposure to termination risk for over-the-counter agreements is minimal due to the high credit rating of the counterparties, and the contractual provisions under the ISDA, EEI, and NAESB agreements applied to these contracts. Termination risk is associated with all of the City's derivative instruments up to their fair value of the instrument.

Close-out Netting Arrangements. The City enters into close-out netting arrangements whenever it has entered into more than one derivative instrument transaction with a counterparty. Under the terms of these arrangements, should one party become insolvent or otherwise default on its obligations, close-out netting provisions permit the non-defaulting party to accelerate and terminate all outstanding transactions and set off the transaction's fair values so that a single sum will be owed by or owed to the non-defaulting party.

Asset Retirement Obligation

The City operates the Ray Olinger Power Plant. The 400-megawatt, gas-fired plant consists of four power generating units: three stream boilers and one turbine. In 2019, the City hired an outside engineering firm to access the environmental obligations and closure requirements in the event of a plant closure. It was determined that the four evaporation ponds and the above ground storage tank at the Olinger Power Plant are considered to be industrial solid waste management units subject to TCEQ closure requirements. The total cost was estimated to be $480,322. The City is estimating the life of the plant to be 10 years.

	Balance at Oct. 1, 2023	Additions	Amortization	Balance at Sept. 30, 2024
ARO Deferred Outflow	$ 379,332	$ 13,824	$ 39,316	$ 353,840

	Balance at Oct. 1, 2023	Additions	Reductions	Balance at Sept. 30, 2024
ARO Liability	$ 575,993	$ 13,824	$ -	$ 589,817

P. Subsequent Events

On December 17, 2024, the City issued $111,160,000 of Electric Utility System Revenue Refunding Bonds, New Series 2024, to refund outstanding revenue notes and EUS Revenue Bonds, Series 2014.

On February 4, 2025, the City approved an ordinance to call $45,750,000 of Tax Anticipation Note, Series 2024 to be called on February 15, 2025.

Effective May 27, 2023, the Texas Legislature amended the Texas Municipal Retirement System (TMRS) Act to offer participating cities a new non-retroactive repeating Cost-of-Living Adjustment (COLA) option. This option eliminates the retroactive calculation of COLAs, which had previously required cities to assess changes in the Consumer Price Index (CPI) from each retiree's retirement date. The non-retroactive COLA option applies only to the change in the CPI over the one-year period that ends 12 months before the COLA's effective date. This new provision is expected to be more affordable for cities, as it significantly reduces the cost of granting a COLA.

Prior to the legislative amendment, the City of Garland discontinued the retroactive repeating COLA for retirees in 2009, due to the anticipated increase in the City's TMRS contribution rate, which would have cost an additional $11.7 million annually. The discontinuation was necessary to maintain sustainable contribution rates for employee retirement.

During the Budget Work Session on August 17, 2024, City staff presented a recommendation to the City Council to adopt a 50% non-retroactive repeating COLA, effective January 1, 2025. The City Council directed staff to proceed with drafting an ordinance for formal adoption which was formally approved on October 8, 2024, at a regular Council meeting. The adoption of the 50% non-retroactive repeating COLA is expected to increase the City's long-term pension liability by approximately $130 million citywide. However, the actual impact will not be known until June of 2025 when TMRS provides the formal rate letter outlining the actuarial impact of this change. In anticipation of this change, the City plans to issue Pension Obligation Bonds in July 2025 to finance the increased pension liability associated with the adoption of the non-retroactive COLA.

City of Garland, Texas
Required Supplementary Information
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024
(unaudited)

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Taxes	$ 118,692,728	$ 123,609,651	$ 121,916,898	$ (1,692,753)
Franchise fees	8,756,525	8,795,484	8,124,300	(671,184)
Service charges	39,853,620	42,516,002	42,655,792	139,790
Licenses and permits	5,687,609	5,162,256	5,623,490	461,234
Earnings on investments	2,393,800	4,956,000	5,433,438	477,438
Intergovernmental	2,200,208	1,482,874	11,011,995	9,529,121
Charges for services	11,435,209	11,435,209	11,501,589	66,380
Fines and forfeits	5,011,674	5,982,042	5,435,898	(546,144)
Rents and concessions	789,893	857,368	860,543	3,175
Total revenues	194,821,266	204,796,886	212,563,943	7,767,057
Expenditures:				
Current:				
General government	16,461,904	16,316,333	16,339,077	(22,744)
Public safety	147,558,106	158,908,597	152,223,681	6,684,916
Public works	31,302,421	33,662,144	25,772,236	7,889,908
Culture and recreation	21,068,457	22,961,595	21,113,295	1,848,300
Public health	7,047,816	6,836,866	6,426,983	409,883
Nondepartmental	40,735,933	38,661,139	37,582,714	1,078,425
Total expenditures	264,174,637	277,346,674	259,457,986	17,888,688
Excess (deficit) of revenues over (under) expenditures	(69,353,371)	(72,549,788)	(46,894,043)	25,655,745
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	282,134	282,134
Transfer in	67,996,125	64,724,741	66,485,587	1,760,846
Transfers out	(8,340,969)	(14,064,339)	(13,895,751)	168,588
Total other financing sources (uses)	59,655,156	50,660,402	52,871,970	2,211,568
Net Change in fund balances	(9,698,215)	(21,889,386)	5,977,927	27,867,313
Fund balance, beginning of year	63,750,573	63,750,573	63,750,573	-
Fund balance, end of year	$ 54,052,358	$ 41,861,187	$ 69,728,500	$ 27,867,313

See notes to required supplementary information.

City of Garland, Texas
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Calendar Years
(unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability										
Service Cost	$ 19,196,960	$ 20,067,678	$ 21,522,671	$ 22,270,032	$ 23,370,261	$ 24,406,916	$ 26,203,127	$ 25,977,603	$ 26,268,489	$ 28,035,696
Interest	54,497,988	56,833,734	57,958,342	60,506,232	63,285,856	66,121,119	69,127,800	72,367,235	74,927,679	77,329,845
Difference between expected and actual experience	(3,135,740)	(6,147,278)	84,986	928,620	892,041	2,799,800	7,470,398	(2,381,211)	(2,837,850)	(3,175,432)
Change of assumptions	-	15,651,656	-	-	-	1,605,156	-	-	-	(5,182,162)
Benefit payments, including refunds of employee contributions	(36,818,136)	(38,435,413)	(42,367,920)	(42,018,404)	(44,132,351)	(47,992,826)	(54,582,524)	(54,811,345)	(61,541,795)	(65,766,769)
Net Change in Total Pension Liability	33,741,072	47,970,377	37,198,079	41,686,480	43,415,807	46,940,165	48,218,801	41,152,282	36,816,523	31,241,178
Total Pension Liability - Beginning	787,353,277	821,094,349	869,064,726	906,262,805	947,949,285	991,365,092	1,038,305,257	1,086,524,058	1,127,676,340	1,164,492,863
Total Pension Liability - Ending	$ 821,094,349	$ 869,064,726	$ 906,262,805	$ 947,949,285	$ 991,365,092	$ 1,038,305,257	$ 1,086,524,058	$ 1,127,676,340	$ 1,164,492,863	$ 1,195,734,041
Plan Fiduciary Net Position										
Contributions - Employer	$ 14,502,416	$ 14,462,360	$ 14,265,404	$ 15,640,715	$ 16,662,812	$ 16,995,099	$ 18,554,489	$ 18,626,665	$ 19,118,221	$ 19,450,670
Contributions - Employee	9,056,479	9,304,889	9,694,895	10,035,625	10,546,061	11,021,733	11,777,742	11,649,149	11,815,278	12,572,061
Net Investment Income	45,500,705	1,220,504	54,933,203	117,621,308	(28,429,765)	139,604,497	77,545,208	140,045,792	(86,762,429)	123,942,041
Benefit payments, including refunds of employee contributions	(36,818,136)	(38,435,413)	(42,367,920)	(42,018,404)	(44,132,351)	(47,992,826)	(54,582,524)	(54,811,345)	(61,541,795)	(65,766,769)
Administrative Expense	(475,082)	(743,428)	(620,477)	(609,672)	(549,660)	(789,265)	(502,139)	(648,494)	(751,667)	(789,866)
Other	(39,061)	(36,717)	(33,430)	(30,898)	(28,717)	(23,709)	(19,593)	4,442	896,962	(5,521)
Net Change in Plan Fiduciary Net Position	31,727,321	(14,227,805)	35,871,675	100,638,674	(45,931,620)	118,815,529	52,773,183	114,866,209	(117,225,430)	89,402,616
Plan Fiduciary Net Position - Beginning	795,438,855	827,166,176	812,938,371	848,810,046	949,448,720	903,517,100	1,022,332,629	1,075,105,812	1,189,972,021	1,072,746,591
Plan Fiduciary Net Position - Ending	$ 827,166,176	$ 812,938,371	$ 848,810,046	$ 949,448,720	$ 903,517,100	$ 1,022,332,629	$ 1,075,105,812	$ 1,189,972,021	$ 1,072,746,591	$ 1,162,149,207
Net Pension Liability (Asset)	$ (6,071,827)	$ 56,126,355	$ 57,452,759	$ (1,499,435)	$ 87,847,992	$ 15,972,628	$ 11,418,246	$ (62,295,681)	$ 91,746,272	$ 33,584,834
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	100.74%	93.54%	93.66%	100.16%	91.14%	98.46%	98.95%	105.52%	92.12%	97.19%
Covered Payroll	$ 129,267,431	$ 132,898,533	$ 138,498,528	$ 143,307,799	$ 150,581,579	$ 157,362,452	$ 168,076,505	$ 166,416,417	$ 168,712,216	$ 179,600,871
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(4.70%)	42.23%	41.48%	(1.05%)	58.34%	10.15%	6.79%	(37.43%)	54.38%	18.70%

Measurement date December 31

City of Garland, Texas
Required Supplementary Information
TMRS Schedule of Contributions
Last Ten Fiscal Years
(unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	$ 14,703,510	$ 15,134,606	$ 15,568,576	$ 16,665,242	$ 17,281,423	$ 17,978,839	$ 18,897,527	$ 19,328,261	$ 19,969,422	$ 21,773,233
Contributions in relation to the actuarially determined contribution	14,703,510	15,134,606	15,568,576	16,665,242	17,281,423	17,978,839	18,897,527	19,328,261	19,969,422	21,773,233
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 132,016,898	$ 142,253,130	$ 141,938,528	$ 148,461,246	$ 156,242,087	$ 160,756,322	$ 165,972,997	$ 167,564,375	$ 176,646,631	$ 190,211,842
Contributions as a percentage of covered payroll	11.14%	10.64%	10.97%	11.23%	11.06%	11.18%	11.39%	11.53%	11.30%	11.45%

Notes to Schedule of Contributions

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 Years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to the experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergance). Pre-retirement: PUB(10) mortality tables, with the 100% Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

Other Information:

Notes There were no benefit changes during the year.

City of Garland, Texas
Required Supplementary Information
City of Garland other postemployment plan
Schedule of Changes in OPEB Liability and Related Ratios
Last Seven Calendar Years
(unaudited)

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	$ 2,260,181	$ 2,220,788	$ 3,024,066	$ 3,024,066	$ 2,239,204	$ 2,142,366	$ 2,080,963
Interest	3,284,435	3,291,786	3,403,827	3,525,395	3,545,372	5,106,386	5,260,690
Difference between expected and actual experience	(1,303,593)	917,146	8,472,720	2,095,099	2,307,370	-	816,935
Change of assumptions	7,017,755	(5,723,188)	1,369,232	-	8,803,333	(4,565,102)	30,319,531
Benefit payments, including refunds of employee contributions	(3,529,580)	(4,039,931)	(4,894,085)	(5,598,096)	(7,032,293)	(4,645,265)	(7,259,006)
Net Change in Total OPEB Liability	7,729,198	(3,333,399)	11,375,760	3,046,464	9,862,986	(1,961,615)	31,219,113
Total OPEB Liability - Beginning	70,652,262	78,381,460	75,048,061	86,423,821	89,470,285	99,333,271	97,371,656
Total OPEB Liability - Ending	$ 78,381,460	$ 75,048,061	$ 86,423,821	$ 89,470,285	$ 99,333,271	$ 97,371,656	$ 128,590,769
Plan Fiduciary Net Position							
Contributions - Employer	$ 4,779,579	$ 5,374,931	$ 6,314,085	$ 7,103,096	$ 8,622,293	$ 4,645,265	$ 10,694,006
Net Investment Income	527,289	(266,098)	1,218,881	1,357,858	1,119,635	(2,128,605)	2,059,481
Benefit payments, including refunds of employee contributions	(3,529,580)	(4,039,931)	(4,894,085)	(5,598,096)	(7,032,293)	(4,645,265)	(7,259,006)
Administrative Expense	(21,120)	(32,518)	(40,759)	(50,492)	(65,244)	(66,795)	(71,154)
Net Change in Plan Fiduciary Net Position	1,756,168	1,036,384	2,598,122	2,812,366	2,644,391	(2,195,400)	5,423,327
Plan Fiduciary Net Position - Beginning	3,767,364	5,523,532	6,559,916	9,158,038	11,970,404	14,614,795	12,419,395
Plan Fiduciary Net Position - Ending	$ 5,523,532	$ 6,559,916	$ 9,158,038	$ 11,970,404	$ 14,614,795	$ 12,419,395	$ 17,842,722
Net OPEB Liability	$ 72,857,928	$ 68,488,145	$ 77,265,783	$ 77,499,881	$ 84,718,476	$ 84,952,261	$ 110,748,047
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	7.00%	8.70%	10.60%	13.40%	14.71%	12.75%	13.88%
Covered Payroll	$ 177,921,683	$ 178,663,144	$ 186,115,788	$ 198,597,431	$ 199,329,268	$ 209,553,251	$ 225,944,014
Net OPEB Liability as a Percentage of Covered Payroll	40.95%	38.33%	41.50%	39.00%	42.50%	40.54%	49.02%

Measurement date December 31
The City of Garland implemented Statement 75 in FY2018 and a full ten-year trend is not yet available.

Notes to Schedule:

Changes in assumptions. The initial discount rate for the 12/31/16 measurement was 4.75%.
2017-2018: The discount rate was decreased from 4.75% to 4.14%.
2018-2019: The discount rate was increased from 4.14% to 4.63%.
2019-2020: The discount rate was decreased from 4.63% to 4.02%.
2020-2021: The discount rate was increased from 4.02% to 5.15%.
2021-2022: The discount rate was increased from 5.15% to 5.49%.
2022-2023: The discount rate was decreased from 5.49% to 4.70%.

City of Garland, Texas
Required Supplementary Information
City of Garland other postemployment plan
OPEB Schedule of Contributions
Last Seven Fiscal Years
(unaudited)

	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	$ 6,502,862	$ 5,391,362	$ 8,109,928	$ 8,343,165	$ 9,090,276	$ 7,320,224	$ 10,074,127
Contributions in relation to the actuarially determined contribution	5,024,715	6,632,454	6,664,631	8,122,773	6,826,969	7,039,741	7,045,425
Contribution deficiency (excess)	$ 1,478,147	$ (1,241,092)	$ 1,445,297	$ 220,392	$ 2,263,307	$ 280,483	$ 3,028,702
Covered payroll	$ 148,461,246	$ 156,242,087	$ 160,756,322	$ 165,972,997	$ 167,564,375	$ 176,646,631	$ 190,211,842
Contributions as a percentage of covered payroll	3.38%	4.24%	4.15%	4.89%	4.07%	3.99%	3.70%

Notes to Schedule of Contributions

Valuation Date:	The Actuarially Determined Contribution is the sum of the current year's normal cost plus an amount necessary to amortize the unfunded liability over a closed 17-year period. Actuarial valuation has been performed as of December 31.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	23 Years
Asset Valuation Method	Fair value
Inflation	2.5%
Salary Increases	3.0%
Discount Rate	4.70%
Healthcare cost trend rates	Capped at 3.0%
Mortality	Non-Annuitants: Sex distinct PUB 2010 general employee headcount weighted mortality table with mortality improvement scale MP-2021. Annuitants: sex distinct PUB 2010 retiree headcount weighted mortality table with mortality improvement scale MP-2021.

Other Information:

Notes

The City of Garland implemented Statement 75 in FY2018 and a full ten-year trend is not yet available.

City of Garland, Texas
Required Supplementary Information
TMRS Supplemental Death Benefit
Schedule of Changes in OPEB liability and Related Ratios
Last Seven Calendar Year
(unaudited)

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	$ 214,962	$ 255,989	$ 236,042	$ 336,153	$ 399,399	$ 438,652	$ 233,483
Interest	238,314	240,384	286,023	234,005	200,979	194,069	300,454
Difference between expected and actual experience	-	497,210	(966,665)	(169,737)	(201,508)	(54,745)	586
Change of assumptions	542,752	(474,877)	1,259,391	1,249,459	297,565	(3,359,629)	379,624
Benefit payments	(57,323)	(60,233)	(62,945)	(67,232)	(216,341)	(219,326)	(269,401)
Net Change in Total OPEB Liability	938,705	458,473	751,846	1,582,648	480,094	(3,000,979)	644,746
Total OPEB Liability - Beginning	6,225,775	7,164,480	7,622,953	8,374,799	9,957,447	10,437,541	7,436,562
Total OPEB Liability - Ending	$ 7,164,480	$ 7,622,953	$ 8,374,799	$ 9,957,447	$ 10,437,541	$ 7,436,562	$ 8,081,308
Covered Employee Payroll	$ 143,307,799	$ 150,581,579	$ 157,362,452	$ 168,076,505	$ 166,416,417	$ 168,712,216	$ 179,600,871
Total OPEB Liability as a Percentage of Covered Employee Payroll	5.00%	5.06%	5.32%	5.92%	6.27%	4.41%	4.50%

Measurement date December 31
The City of Garland implemented Statement 75 in FY2018 and a full ten-year trend is not yet available.

Notes to Schedule:

Changes in assumptions. The initial discount rate for the 12/31/16 measurement was 3.81%.
The discount rate for the 12/31/17 measurement was 3.31%.
The discount rate for the 12/31/18 measurement was 3.71%.
The discount rate for the 12/31/19 measurement was 2.75%.
The discount rate for the 12/31/20 measurement was 2.00%.
The discount rate for the 12/31/21 measurement was 1.84%.
The discount rate for the 12/31/22 measurement was 4.05%.
The discount rate for the 12/31/23 measurement was 3.77%.

No assets accumulated in a trust meets the criteria to pay related benefits for the OPEB plan.

City of Garland, Texas
Notes to Required Supplementary Information

Budgets and Budgetary Accounting

Annual appropriations for the General Fund are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year-end.

The City Charter contains the following requirements, which are adhered to by the City Council and management, regarding preparation of the annual Budget:

1. Prior to August 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted prior to September 15 to obtain taxpayer comments.
3. Prior to September 20, annual appropriations are approved through the passage of an ordinance. If the Council takes no action on or prior to such day, the budget, as submitted by the City Manager, is deemed to have been adopted by the City Council.
4. The level of control (level at which expenditures may not exceed budget) is the fund. The City Manager is authorized to transfer unexpended balances within each fund. The City Council, however, must approve any revisions in fund appropriations.

GARLAND

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City of Garland, Texas
Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The City's funds accounted for as Special Revenue Funds are as follows:

Community Development Block Grant Fund (CDBG) – This fund is used to account for Federal grant revenues provided through the Department of Housing and Urban Development for the development of environmental and economic opportunities, principally for persons of low and moderate income.

Housing Assistance Program Fund – This fund is used to account for Federal revenues provided through the Department of Housing and Urban Development for housing assistance payments for low income tenants.

Neighborhood Services Fund – This fund is used to account for Federal, state, and local revenues to improve neighborhoods in low income areas.

Hotel/Motel Tax Fund – This fund is used to account for the receipt of hotel/motel occupancy taxes.

Impact Fees Fund – This fund is used to account for street and water impact fees charged to develop property.

Landfill Closure Fund – This fund is used to account for expenditures related to the landfill closure and postclosure care.

Police Training Fund – This fund is used to account for grant funding of police training.

Substandard Perimeter Road Fund – This fund is used to account for revenue received pending the construction of substandard perimeter roads and streets.

Narcotic Seizure Fund – This fund is used to account for awards and expenditures from assets acquired through narcotics arrests. The expenditures are restricted to law enforcement activities by state law.

Culture & Recreation Grants – The fund accounts for Parks and Library grants obtained to expand the activities and programs offered by the Parks and Recreation Department and the City's Library system.

Coronavirus Recovery Grant -- This fund is used to account for Federal and state revenue to assist with expenditures related to the COVID-19 pandemic.

TIF Fund – This fund is used to account for the Downtown Tax Increment Finance Fund, TIF Zone No. 1, the Interstate 30 Corridor Tax Increment Finance Fund, TIF Zone No. 2, and the Medical District Tax Increment Finance Fund, TIF Zone No. 3. These funds are used to account for revenues and expenditures incurred in administering the tax increment financing programs.

Garland Foundation for Development (GFFD) – This fund is used to account for expenses related to the promotion of economic development with the City.

Garland Public Facility Corporation (GPFC) – This fund is used to account for expenses related to assisting the City in financing, refinancing, or providing public facilities.

City of Garland, Texas
Nonmajor Governmental Funds
Balance Sheet
September 30, 2024

	CDBG	Housing Assistance	Neighborhood Services	Hotel/Motel Tax	Impact Fees	Landfill Closure	Police Training	Substandard Perimeter Road	Narcotic Seizure	Culture & Recreation Grants	Coronavirus Recovery Grants	TIF	GFFD	GPFC	Total Other Governmental Funds
Assets															
Cash and cash equivalents	$ 536,332	$ -	$ 1,837,322	$ 1,642,485	$ 14,051,449	$ 530,207	$ 1,525,604	$ 1,384,345	$ 721,551	$ -	$ -	$ 3,284,766	$ 939,891	$ 299,016	$ 26,752,968
Investments	133,401	3,643	444,157	404,134	3,460,843	131,016	377,840	340,845	166,391	-	-	809,772	-	-	6,272,042
Receivables:															
Accrued interest	14	174	4,095	3,759	31,203	1,177	3,401	3,074	1,614	-	88	7,295	-	-	55,894
Accounts, net	317,353	-	4,881,847	-	3,924	-	-	-	2,650	-	-	-	-	-	5,205,774
Due from other governments	257,236	-	180,440	-	-	-	97,647	-	-	60,160	-	-	-	-	595,483
Prepaid items	-	-	-	566	-	-	-	-	-	-	-	766	-	-	1,332
Assets held for resale	892,769	-	241,377	-	-	-	-	-	-	-	-	-	-	-	1,134,146
Total Current Assets	2,137,105	3,817	7,589,238	2,050,944	17,547,419	662,400	2,004,492	1,728,264	892,206	60,160	88	4,102,599	939,891	299,016	40,017,639
Restricted assets:															
Cash and cash equivalents	-	1,353,420	-	-	-	-	4	-	72,890	-	44,258,119	-	-	-	45,684,433
Investments	-	4,313	-	-	-	-	-	-	-			-	-	-	4,313
Total Restricted Assets	-	1,357,733	-	-	-	-	4	-	72,890	-	44,258,119	-	-	-	45,688,746
Total Assets	$ 2,137,105	$ 1,361,550	$ 7,589,238	$ 2,050,944	$ 17,547,419	$ 662,400	$ 2,004,496	$ 1,728,264	$ 965,096	$ 60,160	$ 44,258,207	$ 4,102,599	$ 939,891	$ 299,016	$ 85,706,385
LIABILITIES															
Current liabilities:															
Accounts payable and accrued liabilities	$ 59,797	$ 350,702	$ 308,423	$ 71,410	$ -	$ 44,440	$ 4,307	$ -	$ 65,000	$ 4,252	$ -	$ 7,917	$ -	$ -	$ 916,248
Due to other funds	15,501	-	92,851	-	-	-	-	-	-	55,908	11,359,624	-	-	-	11,523,884
Escrow payable	-	-	-	-	124,220	-	-	-	122,862	-	-	-	-	-	247,082
Unearned revenues	1,210,122	-	5,123,223	-	-	-	1,641,428	-	-	-	27,516,798	-	-	-	35,491,571
Total Liabilities	1,285,420	350,702	5,524,497	71,410	124,220	44,440	1,645,735	-	187,862	60,160	38,876,422	7,917	-	-	48,178,785
FUND BALANCES															
Fund balances:															
Nonspendable	-	-	-	566	-	-	-	-	-	-	-	766	-	-	1,332
Restricted	851,685	1,010,848	2,064,741	1,978,968	-	-	358,761	-	777,234	-	5,381,785	4,093,916	-	-	16,517,938
Committed	-	-	-	-	17,423,199	617,960	-	1,728,264	-	-	-	-	939,891	299,016	21,008,330
Total fund balances	851,685	1,010,848	2,064,741	1,979,534	17,423,199	617,960	358,761	1,728,264	777,234	-	5,381,785	4,094,682	939,891	299,016	37,527,600
Total Liabilities and Fund Balances	$ 2,137,105	$ 1,361,550	$ 7,589,238	$ 2,050,944	$ 17,547,419	$ 662,400	$ 2,004,496	$ 1,728,264	$ 965,096	$ 60,160	$ 44,258,207	$ 4,102,599	$ 939,891	$ 299,016	$ 85,706,385

City of Garland, Texas
Nonmajor Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended September 30, 2024

	CDBG	Housing Assistance	Neighborhood Services	Hotel/Motel Tax	Impact Fees	Landfill Closure	Police Training	Substandard Perimeter Road	Narcotic Seizure	Culture & Recreation Grants	Coronavirus Recovery Grants	TIF	GFFD	GPFC	Total Other Governmental Funds
REVENUES															
Taxes	$ -	$ -	$ -	$ 1,764,356	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,641,600	$ -	$ -	$ 6,405,956
Earnings on investments	1,111	73,007	83,390	109,911	1,015,341	24,889	50,273	87,463	35,672	-	2,445,817	185,881	15,222	-	4,127,977
Intergovernmental	2,827,584	20,073,393	1,940,307	-	-	-	362,282	-	-	71,097	5,000	-	-	-	25,279,663
Impact Fees	-	-	-	-	2,160,362	-	-	-	-	-	-	-	-	-	2,160,362
Contributions	-	-	461,162	-	-	-	-	-	-	-	-	-	-	-	461,162
Program income	16,152	-	360,375	-	-	-	-	-	-	-	-	-	-	-	376,527
Awards	-	-	-	-	-	-	-	-	503,702	-	-	-	-	-	503,702
Miscellaneous and other	-	9,285	-	-	-	484,473	(306,324)	-	11,063	-	-	-	267,613	-	466,110
Total Revenues	2,844,847	20,155,685	2,845,234	1,874,267	3,175,703	509,362	106,231	87,463	550,437	71,097	2,450,817	4,827,481	282,835	-	39,781,459
EXPENDITURES															
Current:															
Operations	1,969,969	20,175,533	2,214,873	1,907,927	-	144,941	335,360	-	197,993	58,667	-	1,283,968	47,329	-	28,336,560
Capital outlay	874,524	28,125	-	-	-	-	22,689	-	-	12,430	-	19,214	8,168,021	-	9,125,003
Debt service														-	
Principal	-	-	-	-	-	-	-	-	-	-	-	1,485,573	-	-	1,485,573
Interest	-	-	-	-	-	-	-	-	-	-	-	137,765	-	-	137,765
Total Expenditures	2,844,493	20,203,658	2,214,873	1,907,927	-	144,941	358,049	-	197,993	71,097	-	2,926,520	8,215,350	-	39,084,901
Excess (deficiency) of revenues over (under) expenditures	354	(47,973)	630,361	(33,660)	3,175,703	364,421	(251,818)	87,463	352,444	-	2,450,817	1,900,961	(7,932,515)	-	696,558
OTHER FINANCING SOURCES (USES)															
Transfers in	-	-	97,000	-	-	190,700	66,912	-	-	-	-	-	8,168,021	-	8,522,633
Transfers out	-	-	-	(200,000)	(4,899,709)	-	-	-	-	-	-	(52,000)	-	-	(5,151,709)
Total other financing sources (uses)	-	-	97,000	(200,000)	(4,899,709)	190,700	66,912	-	-	-	-	(52,000)	8,168,021	-	3,370,924
Net change in fund balances	354	(47,973)	727,361	(233,660)	(1,724,006)	555,121	(184,906)	87,463	352,444	-	2,450,817	1,848,961	235,506	-	4,067,482
Fund balances - beginning	851,331	1,058,821	1,337,380	2,213,194	19,147,205	62,839	543,667	1,640,801	424,790	-	2,930,968	2,245,721	704,385	299,016	33,460,118
Fund balances - ending	$ 851,685	$ 1,010,848	$ 2,064,741	$ 1,979,534	$ 17,423,199	$ 617,960	$ 358,761	$ 1,728,264	$ 777,234	$ -	$ 5,381,785	$ 4,094,682	$ 939,891	$ 299,016	$ 37,527,600

City of Garland, Texas
Budgetary Comparison Schedule - Community Development Grant Fund
For the year ended September 30, 2024

	Community Development Block Grant Fund			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Earnings on investments	$ -	$ -	$ 1,111	$ 1,111
Intergovernmental	3,154,380	3,833,004	2,827,584	(1,005,420)
Program income	-	-	16,152	16,152
Total revenues	3,154,380	3,833,004	2,844,847	(988,157)
Expenditures:				
Current:				
Operations	2,553,380	3,163,144	1,969,969	1,193,175
Capital	-	-	874,524	(874,524)
Total expenditures	2,553,380	3,163,144	2,844,493	318,651
Excess (deficiency) of revenues over (under) expenditures	601,000	669,860	354	(669,506)
Net change in fund balances	601,000	669,860	354	(669,506)
Fund balances, beginning of year	851,331	851,331	851,331	-
Fund balances end of year	$ 1,452,331	$ 1,521,191	$ 851,685	$ (669,506)

City of Garland, Texas
Budgetary Comparison Schedule - Housing Assistance Program Fund
For the year ended September 30, 2024

	Housing Assistance Fund			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Earnings on investments	$ -	$ -	$ 73,007	$ 73,007
Intergovernmental	17,483,499	20,100,872	20,073,393	(27,479)
Miscellaneous	3,500	16,076	9,285	(6,791)
Total revenues	17,486,999	20,116,948	20,155,685	38,737
Expenditures:				
Current:				
Operations	17,432,118	20,114,766	20,203,658	(88,892)
Total expenditures	17,432,118	20,114,766	20,203,658	(88,892)
Excess (deficiency) of revenues over (under) expenditures	54,881	2,182	(47,973)	(50,155)
Other financing sources (uses):				
Transfers out	(110,000)	(110,000)	-	110,000
Total other financing sources (uses)	(110,000)	(110,000)	-	110,000
Net change in fund balances	(55,119)	(107,818)	(47,973)	59,845
Fund balances, beginning of year	1,058,821	1,058,821	1,058,821	-
Fund balances end of year	$ 1,003,702	$ 951,003	$ 1,010,848	$ 59,845

City of Garland, Texas
Budgetary Comparison Schedule - Neighborhood Services Funds
For the year ended September 30, 2024

	HOME Grant Fund				CASA Fund				Fair Housing Grant Fund				Total Neighborhood Services			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:																
Earnings on investments	$ 31,700	$ 8,430	$ 33,269	$ 24,839	$ 18,460	$ 38,300	$ 46,567	$ 8,267	$ 1,500	$ 4,400	$ 3,554	$ (846)	$ 51,660	$ 51,130	$ 83,390	$ 32,260
Intergovernmental	4,022,248	2,509,914	1,722,892	(787,022)	-	-	-	-	-	-	217,415	217,415	4,022,248	2,509,914	1,940,307	(569,607)
Program income	350,000	350,000	360,375	10,375	100,000	201,162	-	(201,162)	-	-	-	-	450,000	551,162	360,375	(190,787)
Contributions	-	-	-	-	400,000	400,000	461,162	61,162	-	-	-	-	400,000	400,000	461,162	61,162
Special event income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	4,403,948	2,868,344	2,116,536	(751,808)	518,460	639,462	507,729	(131,733)	1,500	4,400	220,969	216,569	4,923,908	3,512,206	2,845,234	(666,972)
Expenditures:																
Current:																
Operations	4,403,948	2,891,614	1,452,236	1,439,378	502,553	603,715	442,883	160,832	98,139	98,139	319,754	(221,615)	5,004,640	3,593,468	2,214,873	1,378,595
Total expenditures	4,403,948	2,891,614	1,452,236	1,439,378	502,553	603,715	442,883	160,832	98,139	98,139	319,754	(221,615)	5,004,640	3,593,468	2,214,873	1,378,595
Excess (deficiency) of revenues over (under) expenditures	-	(23,270)	664,300	687,570	15,907	35,747	64,846	29,099	(96,639)	(93,739)	(98,785)	(5,046)	(80,732)	(81,262)	630,361	711,623
Other financing sources (uses):																
Transfers in	-	-	-	-	-	-	-	-	97,000	97,000	97,000	-	97,000	97,000	97,000	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	97,000	97,000	97,000	-	97,000	97,000	97,000	-
Net change in fund balances	-	(23,270)	664,300	687,570	15,907	35,747	64,846	29,099	361	3,261	(1,785)	(5,046)	16,268	15,738	727,361	711,623
Fund balances, beginning of year	359,475	359,475	359,475	-	957,331	957,331	957,331	-	20,574	20,574	20,574	-	1,337,380	1,337,380	1,337,380	-
Fund balances end of year	$ 359,475	$ 336,205	$ 1,023,775	$ 687,570	$ 973,238	$ 993,078	$ 1,022,177	$ 29,099	$ 20,935	$ 23,835	$ 18,789	$ (5,046)	$ 1,353,648	$ 1,353,118	$ 2,064,741	$ 711,623

City of Garland, Texas
Budgetary Comparison Schedule - Hotel/Motel Tax Fund
For the Year Ended September 30, 2024

	Hotel/Motel Tax			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Occupancy taxes	$ 1,700,000	$ 1,700,000	$ 1,764,356	$ 64,356
Earnings on investments	64,430	98,290	109,911	11,621
Total revenues	1,764,430	1,798,290	1,874,267	75,977
Expenditures:				
Current:				
Operations	1,961,963	2,043,598	1,907,927	135,671
Total expenditures	1,961,963	2,043,598	1,907,927	135,671
Excess (deficiency) of revenues over (under) expenditures	(197,533)	(245,308)	(33,660)	211,648
Other financing sources (uses):				
Transfers out	(200,691)	(200,691)	(200,000)	691
Total other financing sources (uses)	(200,691)	(200,691)	(200,000)	691
Net change in fund balances	(398,224)	(445,999)	(233,660)	212,339
Fund balances, beginning of year	2,213,194	2,213,194	2,213,194	-
Fund balances end of year	$ 1,814,970	$ 1,767,195	$ 1,979,534	$ 212,339

City of Garland, Texas
Budgetary Comparison Schedule - Police Training Grant Fund
For the year ended September 30, 2024

	Police Training Grant Fund			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Earnings on investments	$ -	$ -	$ 50,273	$ 50,273
Intergovernmental	344,311	2,816,562	362,282	(2,454,280)
Miscellaneous	-	23,300	(306,324)	(329,624)
Total revenues	344,311	2,839,862	106,231	(2,733,631)
Expenditures:				
Current:				
Operations	301,412	400,531	335,360	65,171
Capital	42,257	1,663,784	22,689	1,641,095
Total expenditures	343,669	2,064,315	358,049	1,706,266
Excess (deficiency) of revenues over (under) expenditures	642	775,547	(251,818)	(1,027,365)
Other financing sources (uses):				
Transfers in	-	-	66,912	-
Total other financing sources (uses)	-	-	66,912	-
Net change in fund balances	642	775,547	(184,906)	(1,027,365)
Fund balances, beginning of year	543,667	543,667	543,667	-
Fund balances end of year	$ 544,309	$ 1,319,214	$ 358,761	$ (1,027,365)

City of Garland, Texas
Budgetary Comparison Schedule - Narcotic Seizure Fund
For the year ended September 30, 2024

	Narcotic Seizure			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Earnings on investments	$ 20,700	$ 23,100	$ 35,672	$ 12,572
Awards	65,000	230,913	503,702	272,789
Miscellaneous	-	-	11,063	11,063
Total revenues	85,700	254,013	550,437	296,424
Expenditures:				
Current:				
Operations	295,000	295,000	197,993	97,007
Total expenditures	295,000	295,000	197,993	97,007
Excess (deficiency) of revenues over (under) expenditures	(209,300)	(40,987)	352,444	393,431
Net change in fund balances	(209,300)	(40,987)	352,444	393,431
Fund balances, beginning of year	424,790	424,790	424,790	-
Fund balances end of year	$ 215,490	$ 383,803	$ 777,234	$ 393,431

City of Garland, Texas
Budgetary Comparison Schedule - Coronavirus Recovery Fund
For the year ended September 30, 2024

	Coronavirus Recovery Fund			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Earnings on investments	$ 6,400	$ 2,300	$ 2,445,817	$ 2,443,517
Intergovernmental	-	-	5,000	5,000
Total revenues	6,400	2,300	2,450,817	2,448,517
Expenditures:				
Current:				
Operations	-	8,759,703	-	8,759,703
Total expenditures	-	8,759,703	-	8,759,703
Excess (deficiency) of revenues over (under) expenditures	6,400	(8,757,403)	2,450,817	11,208,220
Other financing sources (uses):				
Transfers out	(22,598,261)	(11,223,957)	-	11,223,957
Total other financing sources (uses)	(22,598,261)	(11,223,957)	-	11,223,957
Net change in fund balances	(22,591,861)	(19,981,360)	2,450,817	22,432,177
Fund balances, beginning of year	2,930,968	2,930,968	2,930,968	-
Fund balances end of year	$ (19,660,893)	$ (17,050,392)	$ 5,381,785	$ 22,432,177

City of Garland, Texas
Budgetary Comparison Schedule - Tax Increment Financing Zones
For the year ended September 30, 2024

	Interstate Highway 30 TIF Fund				Downtown TIF Fund				Medical District TIF Fund				Total TIF funds			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:																
Occupancy taxes	$ 1,281,275	$ 1,281,275	$ 1,665,687	$ 384,412	$ 1,671,317	$ 1,669,852	$ 1,804,006	$ 134,154	$ 779,673	$ 779,673	$ 1,171,907	$ 392,234	$ 3,732,265	$ 3,730,800	$ 4,641,600	$ 910,800
Earnings on investments	2,900	100	27,644	27,544	36,300	2,600	61,523	58,923	5,200	22,400	96,714	74,314	44,400	25,100	185,881	160,781
Total revenues	1,284,175	1,281,375	1,693,331	411,956	1,707,617	1,672,452	1,865,529	193,077	784,873	802,073	1,268,621	466,548	3,776,665	3,755,900	4,827,481	1,071,581
Expenditures:																
Current:																
Operations	65,204	65,204	68,370	3,166	1,267,444	1,813,215	1,142,135	671,080	-	-	73,463	(73,463)	1,332,648	1,878,419	1,283,968	594,451
Capital	-	-	-	-	-	-	19,214	(19,214)	-	-	-	-	-	-	19,214	(19,214)
Debt Service																
Principal	1,081,206	1,078,750	1,485,573	406,823	-	-	-	-	-	-	-	-	1,081,206	1,078,750	1,485,573	(406,823)
Interest	137,765	137,765	137,765	-	-	-	-	-	-	-	-	-	137,765	137,765	137,765	-
Total expenditures	1,284,175	1,281,719	1,691,708	409,989	1,267,444	1,813,215	1,161,349	651,866	-	-	73,463	(73,463)	2,551,619	3,094,934	2,926,520	168,414
Excess (deficiency) of revenues over (under) expenditures	-	(344)	1,623	1,967	440,173	(140,763)	704,180	844,943	784,873	802,073	1,195,158	393,085	1,225,046	660,966	1,900,961	1,239,995
Other financing sources (uses):																
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-				
Transfers in	-	-	-	-	-	734,345	-	(734,345)	-	-	-	-	-	734,345	-	(734,345)
Transfers out	-	-	-	-	(456,783)	(470,783)	(52,000)	418,783	-	-	-	-	(456,783)	(470,783)	(52,000)	418,783
Total other financing sources (uses)	-	-	-	-	(456,783)	263,562	(52,000)	(315,562)	-	-	-	-	(456,783)	263,562	(52,000)	(315,562)
Net change in fund balances	-	(344)	1,623	1,967	(16,610)	122,799	652,180	529,381	784,873	802,073	1,195,158	393,085	768,263	924,528	1,848,961	924,433
Fund balances, beginning of year	1,663	1,663	1,663	-	817,383	817,383	817,383	-	1,426,675	1,426,675	1,426,675	-	2,245,721	2,245,721	2,245,721	-
Fund balances end of year	$ 1,663	$ 1,319	$ 3,286	$ 1,967	$ 800,773	$ 940,182	$ 1,469,563	$ 529,381	$ 2,211,548	$ 2,228,748	$ 2,621,833	$ 393,085	$ 3,013,984	$ 3,170,249	$ 4,094,682	$ 924,433

City of Garland, Texas
Budgetary Comparison Schedule - Culture Recreation Grant
For the year ended September 30, 2024

	Culture & Recreation Grant			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Earnings on investments	$ -	$ -	$ -	$ -
Intergovernmental	-	203,767	71,097	(132,670)
Total revenues	-	203,767	71,097	(132,670)
Expenditures:				
Current:				
Operations	-	203,767	71,097	132,670
Total expenditures	-	203,767	71,097	132,670
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances end of year	$ -	$ -	$ -	$ -

City of Garland, Texas
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
General property taxes	$ 90,226,938	$ 87,683,021	$ 86,464,914	$ (1,218,107)
Earnings on investments	560,000	944,967	952,033	7,066
Miscellaneous	-	-	(4,386)	(4,386)
Total Revenues	90,786,938	88,627,988	87,412,561	(1,215,427)
Expenditures:				
Principal retirement	32,524,427	32,524,427	32,524,427	-
Interest	16,589,473	16,860,713	16,971,777	(111,064)
Fiscal charges	354,181	355,719	225,412	130,307
Total Expenditures	49,468,081	49,740,859	49,721,616	19,243
Excess of revenues over expenditures	41,318,857	38,887,129	37,690,945	(1,196,184)
Other financing sources (uses):				
Transfers in	805,651	805,651	805,651	-
Transfers out	(40,332,000)	(40,370,500)	(40,332,000)	38,500
Total other financing sources (uses)	(39,526,349)	(39,564,849)	(39,526,349)	38,500
Net change in fund balances	1,792,508	(677,720)	(1,835,404)	(1,157,684)
Fund balance, beginning of year	5,398,217	5,398,217	5,398,217	-
Fund balance, end of year	$ 7,190,725	$ 4,720,497	$ 3,562,813	$ (1,157,684)

City of Garland, Texas
Nonmajor Enterprise Funds

Nonmajor Enterprise Funds

The Nonmajor Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the City is that costs of providing goods and services to the general public on a continuing basis will be financed or recovered through user charges.

Golf Fund – This fund is used to account for the resources and expense associated with a public golf course, administered by a golf professional under the direct supervision of the City Manager.

Heliport Fund – This fund is used to account for the resources and expenses associated with the operations of a heliport.

Storm Water Management Fund – This fund is used to account for the resources and expenses associated with controlling the quality of storm water discharges into lakes and streams.

Parks Performance Fund – This fund is used to account for the resources and expense associated with the operation of recreation activities that receive revenues from user fees.

Sanitation Fund – This fund is used to account for the resources and expenses associated with the collection and recycling of residential and commercial waste.

City of Garland, Texas
Nonmajor Enterprise Funds
Statement of Net Position
September 30, 2024

	Business-Type Activities - Enterprise Funds					
	Golf	Heliport	Storm Water Management	Parks Performance	Sanitation	Total Other Enterprise Funds
ASSETS						
Current assets						
Unrestricted						
Cash and cash equivalents	$ 890,933	$ 39,830	$ 3,092,815	$ 688,590	$ 1,749,001	$ 6,461,169
Investments	212,988	10,070	759,492	167,923	440,348	1,590,821
Receivable, net of allowance	125	-	618,696	-	2,856,620	3,475,441
Accrued interest	2,165	88	10,360	1,311	5,082	19,006
Due from other funds	-	-	81,717	-	-	81,717
Inventories	124,037	-	-	-	-	124,037
Total current assets	1,230,248	49,988	4,563,080	857,824	5,051,051	11,752,191
Noncurrent assets						
Restricted assets						
Construction funds:						
Cash and cash equivalents	661,511	-	1,469,523	-	3,267,056	5,398,090
Investments	157,937	-	362,175	-	788,004	1,308,116
Accrued interest	1,471	-	-	-	7,252	8,723
Total construction funds	820,919	-	1,831,698	-	4,062,312	6,714,929
Capital Assets						
Land	9,111,400	1,776,208	-	-	567,992	11,455,600
System	20,218,710	746,069	6,010,319	201,752	30,914,577	58,091,427
Construction in progress	824,979	-	3,711	-	1,876,173	2,704,863
Less accumulated depreciation	(14,668,260)	(724,717)	(4,499,791)	(181,937)	(21,776,156)	(41,850,861)
Net capital assets	15,486,829	1,797,560	1,514,239	19,815	11,582,586	30,401,029
Total noncurrent assets	16,307,748	1,797,560	3,345,937	19,815	15,644,898	37,115,958
Total assets	$ 17,537,996	$ 1,847,548	$ 7,909,017	$ 877,639	$ 20,695,949	$ 48,868,149
Deferred charges on debt refundings	-	-	-	-	5	5
Deferred charges on pensions	269,598	-	411,382	-	1,352,192	2,033,172
Deferred charges on OPEB	265,538	-	398,307	-	1,443,862	2,107,707
Total deferred outflows	$ 535,136	$ -	$ 809,689	$ -	$ 2,796,059	$ 4,140,884

City of Garland, Texas
Nonmajor Enterprise Funds
Statement of Net Position
September 30, 2024

	Business-Type Activities - Enterprise Funds					
	Golf	Heliport	Storm Water Management	Parks Performance	Sanitation	Total Other Enterprise Funds
LIABILITIES						
Current Liabilities						
Payable from current assets:						
Accounts payable and accrued liabilities	$ 147,760	$ -	$ 336,970	$ 57,329	$ 568,075	$ 1,110,134
Accrued general obligation interest	-	-	-	-	83	83
Accrued certificates of obligation interest	-	-	22,880	-	137,838	160,718
General obligation bonds	-	-	-	-	5,000	5,000
Certificates of obligation	-	-	220,000	-	3,715,000	3,935,000
Compensated absences	67,832	-	80,235	-	280,874	428,941
Total current liabilities	215,592	-	660,085	57,329	4,706,870	5,639,876
Long-term Liabilities						
Payable from restricted assets:						
Accounts payable	354,007	-	-	-	406,634	760,641
Total payable from restricted assets	354,007	-	-	-	406,634	760,641
General obligation bonds (net of unamortized premium)	-	-	-	-	10,270	10,270
Certificates of obligation (net of unamortized premium)	-	-	1,538,081	-	10,423,375	11,961,456
Net OPEB liability	904,505	-	1,356,758	-	4,918,246	7,179,509
Compensated absences	74,454	-	22,801	-	-	97,255
Net pension liability	191,434	-	292,188	-	960,526	1,444,148
Total long-term liabilities	1,170,393	-	3,209,828	-	16,312,417	20,692,638
Total Liabilities	1,739,992	-	3,869,913	57,329	21,425,921	27,093,155
Deferred inflow of resources-pensions	50,614	-	77,378	-	254,558	382,550
Deferred inflow of resources-OPEB	40,709	-	61,064	-	221,356	323,129
Total deferred inflows	91,323	-	138,442	-	475,914	705,679
NET POSITION						
Net investment in capital assets	15,953,741	1,797,560	1,587,856	19,815	1,084,624	20,443,596
Unrestricted (deficit)	288,076	49,988	3,122,495	800,495	505,549	4,766,603
Total net position	$ 16,241,817	$ 1,847,548	$ 4,710,351	$ 820,310	$ 1,590,173	$ 25,210,199

City of Garland
Nonmajor Enterprise Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2024

	Business-Type Activities - Enterprise Funds					
	Golf	Heliport	Storm Water Management	Parks Performance	Sanitation	Total Other Enterprise Funds
OPERATING REVENUES						
Charges for services	$ 5,175,388	$ 8,643	$ 6,605,122	$ 1,656,860	$ 26,947,483	$ 40,393,496
Other	18,896	-	-	82,122	13,180	114,198
Total Operating Revenues	5,194,284	8,643	6,605,122	1,738,982	26,960,663	40,507,694
OPERATING EXPENSES						
Salaries and benefits	2,713,476	-	2,225,258	181,198	8,296,554	13,416,486
Landfill fees	-	-	-	-	3,371,342	3,371,342
Maintenance, repairs, and supplies	1,900,252	4,793	1,863,564	1,234,809	6,221,322	11,224,740
Insurance and other expenses	73,153	-	98,076	-	823,892	995,121
General and administrative	13,975	-	499,050	19,375	2,698,726	3,231,126
Claims	64,279	-	130,705	-	473,803	668,787
Depreciation	1,055,357	2,669	467,563	3,419	3,790,229	5,319,237
Total Operating Expenses	5,820,492	7,462	5,284,216	1,438,801	25,675,868	38,226,839
Total Operating Income (Loss)	(626,208)	1,181	1,320,906	300,181	1,284,795	2,280,855
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental	-	-	81,717	-	-	81,717
Gain on sale of capital assets	3,019	-	7,000	-	388,564	398,583
Investment income	68,566	2,535	230,225	33,992	290,973	626,291
Interest expense	-	-	(27,904)	-	(265,437)	(293,341)
Income (loss) before transfers	(554,623)	3,716	1,611,944	334,173	1,698,895	3,094,105
TRANSFERS						
Transfers in	1,992,000	-	-	-	-	1,992,000
Transfers out	-	-	(5,929)	(100,000)	(1,441,006)	(1,546,935)
Total transfers	1,992,000	-	(5,929)	(100,000)	(1,441,006)	445,065
NET INCOME	1,437,377	3,716	1,606,015	234,173	257,889	3,539,170
Net position, beginning of year	14,804,440	1,843,832	3,104,336	586,137	1,332,284	21,671,029
Net position, end of year	$ 16,241,817	$ 1,847,548	$ 4,710,351	$ 820,310	$ 1,590,173	$ 25,210,199

City of Garland, Texas
Nonmajor Enterprise Funds
Statement of Cash Flows
For the Year Ended September 30, 2024

	Golf	Heliport	Storm Water Management	Parks Performance	Sanitation	Total Other Enterprise Funds
Cash flows from operating activities:						
Cash received from customers	$ 5,176,830	$ 8,643	$ 6,489,876	$ 1,656,886	$ 26,881,990	$ 40,214,225
Cash payments for goods and services	(2,126,917)	(4,793)	(2,281,080)	(1,242,974)	(13,198,607)	(18,854,371)
Cash payments to employees for services	(2,752,060)	-	(2,285,956)	(181,198)	(8,542,219)	(13,761,433)
Other operating revenues	18,896	-	-	82,122	13,180	114,198
Net cash provided by operating activities	316,749	3,850	1,922,840	314,836	5,154,344	7,712,619
Cash flows from non-capital financing activities:						
Intergovernmental	-	-	81,717	-	-	81,717
Due to other funds - decrease	(628,895)	-	(148,332)	-	-	(777,227)
Due from other funds - increase	-	-	(81,717)	-	-	(81,717)
Transfers in	1,992,000	-	-	-	-	1,992,000
Transfers out	-	-	(5,929)	(100,000)	(1,441,006)	(1,546,935)
Net cash provided by (used for) non-capital financing activities	1,363,105	-	(154,261)	(100,000)	(1,441,006)	(332,162)
Cash flows from capital and related financing activities:						
Certificate of obligation issues	-	-	1,275,000	-	4,950,000	6,225,000
Premium on issuance of debt	-	-	97,962	-	254,478	352,440
Acquisition of capital assets	(900,405)	-	(164,139)	-	(5,120,817)	(6,185,361)
Principal paid on certificates of obligation	-	-	(160,000)	-	(2,935,000)	(3,095,000)
Interest paid on certificates of obligation	-	-	(23,000)	-	(534,864)	(557,864)
Interest paid on general obligation bonds	-	-	-	-	(651)	(651)
Proceeds from sale of capital assets	3,019	-	7,000	-	440,307	450,326
Net cash provided by (used for) capital and related financing activities	(897,386)	-	1,032,823	-	(2,946,547)	(2,811,110)
Cash flows from investing activities:						
Purchase of investment securities	(473,112)	(8,765)	(1,413,207)	(172,238)	(1,182,424)	(3,249,746)
Proceeds from the sale and maturity of investment securities	307,400	7,469	811,794	122,525	969,501	2,218,689
Interest received on investments	65,443	2,469	221,199	32,989	281,188	603,288
Net cash provided by (used for) investing activities	(100,269)	1,173	(380,214)	(16,724)	68,265	(427,769)
Net increase in cash and cash equivalents	682,199	5,023	2,421,188	198,112	835,056	4,141,578
Cash and cash equivalents at beginning of year	870,245	34,807	2,141,150	490,478	4,181,001	7,717,681
Cash and cash equivalents at end of year	$ 1,552,444	$ 39,830	$ 4,562,338	$ 688,590	$ 5,016,057	$ 11,859,259
Reconciliation to Statement of Net Position						
Cash and cash equivalents	$ 890,933	$ 39,830	$ 3,092,815	$ 688,590	$ 1,749,001	$ 6,461,169
Construction fund cash and cash equivalents	661,511	-	1,469,523	-	3,267,056	5,398,090
Total cash and cash equivalents	$ 1,552,444	$ 39,830	$ 4,562,338	$ 688,590	$ 5,016,057	$ 11,859,259

City of Garland, Texas
Nonmajor Enterprise Funds
Statement of Cash Flows
For the Year Ended September 30, 2024

	Golf	Heliport	Storm Water Management	Parks Performance	Sanitation	Total Other Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:						
Operating income (loss)	$ (626,208)	$ 1,181	$ 1,320,906	$ 300,181	$ 1,284,795	$ 2,280,855
Adjustments:						
Depreciation	1,055,357	2,669	467,563	3,419	3,790,229	5,319,237
Provision for uncollectible accounts	-	-	(444)	-	10,013	9,569
Change in assets and liabilities:						
Decrease in pension related deferred outflows	254,029	-	387,728	-	1,274,601	1,916,358
Increase in OPEB related deferred outflows	(123,359)	-	(185,039)	-	(670,766)	(979,164)
Increase in inventory	(78,262)	-	-	-	-	(78,262)
Decrease in net pension liability	(331,520)	-	(506,005)	-	(1,663,417)	(2,500,942)
(Increase) decrease in accounts receivable	1,442	-	(114,802)	26	(75,506)	(188,840)
Increase (decrease) in accounts payable	(61,276)	-	213,896	11,210	40,961	204,791
Increase (decrease) in compensated absences	8,685	-	11,449	-	(8,496)	11,638
Increase in OPEB liability	201,260	-	301,890	-	1,094,351	1,597,501
Increase in pension related deferred inflows	30,223	-	46,130	-	151,646	227,999
Decrease in OPEB related deferred inflows	(13,622)	-	(20,432)	-	(74,067)	(108,121)
Total adjustments	942,957	2,669	601,934	14,655	3,869,549	5,431,764
Net cash provided by operating activities	$ 316,749	$ 3,850	$ 1,922,840	$ 314,836	$ 5,154,344	$ 7,712,619
Non-cash transactions:						
Change in restricted accounts payable	(37,999)	-	(23,563)	24,594	(70,768)	(107,736)
Increase in fair value of investments	(3,089)	(80)	(9,189)	(1,387)	(10,102)	(23,847)

City of Garland, Texas
Internal Service Funds

Internal Service Funds

The Internal Service Funds account for the financing of goods or services and insurance premiums and claims provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units on a cost-reimbursement basis.

Group Health Fund – This fund is used to account for an employee medical insurance plan which is administered by a third party. The City makes deposits to the fund each pay period for each employee covered by this medical insurance plan and payment of employees' medical claims are made from this fund.

Self Insurance Fund – This fund is used to account for proceeds from other funds for the payment of claims and to provide a loss reserve for potential future major unanticipated claims.

LTD Insurance Fund – This fund is used to account for proceeds from other funds and employees for the payment of long-term disability claims and to provide a loss reserve for potential future claims.

Fleet Services Fund – This fund is used to account for the cost of operating a centralized fleet maintenance garage, which performs repair and maintenance services for City vehicles.

Vehicle Replacement Fund – This fund is used to account for the proceeds from other funds for the systematic replacement of City vehicles.

Information Technology Fund – This fund is used to account for activities related to administration, operation, and maintenance of the City's electronic data processing and communication systems.

Facilities Management Fund – This fund is used to account for activities related to maintenance and management of City buildings and facilities.

Warehouse Fund – This fund is used to account for the activities related to operation of the City's warehouse center for storage and distribution of supplies.

Customer Service Fund – This fund is used to account for activities related to establishing accounts, meter reading, billing and collection of revenue, and responding to customer inquiries from the day to day operations of City utilities.

City of Garland, Texas
Internal Service Funds
Statement of Net Position
September 30, 2024

	Group Health	Self Insurance	LTD Insurance	Fleet Services	Vehicle Replacement	Information Technology	Facilities Management	Warehouse	Customer Service	Total Internal Service Funds
ASSETS										
Current assets:										
Unrestricted										
Cash and cash equivalents	$ 17,951,260	$ 2,704,952	$ 1,703,156	$ 660,795	$ 10,823,472	$ 16,704,615	$ 120,644	$ -	$ 20,861,281	$ 71,530,175
Investments	4,486,162	668,247	420,070	169,268	2,629,303	4,088,060	25,599	-	4,933,771	17,420,480
Accrued interest	38,860	6,099	3,761	1,871	23,925	38,192	579	-	45,278	158,565
Other Receivables	435,030	11,116	-	5,960	-	828	3,154	-	1,053,096	1,509,184
Due from other funds	331,801	254,396	-	89,594	-	1,071,104	-	-	-	1,746,895
Inventories	-	-	-	257,203	-	-	-	9,417,957	-	9,675,160
Prepaid expense	12,667	2,734,773	-	-	-	13,575	19,047	-	216	2,780,278
Total current assets	23,255,780	6,379,583	2,126,987	1,184,691	13,476,700	21,916,374	169,023	9,417,957	26,893,642	104,820,737
Noncurrent assets:										
Restricted										
Construction funds:										
Cash and cash equivalents	-	-	-	10,213	-	-	-	5,292	30,462	45,967
Investments	-	-	-	1,757	-	28,173	-	1,303	(1,706)	29,527
Accrued interest	-	-	-	23	-	-	-	12	68	103
Total construction funds	-	-	-	11,993	-	28,173	-	6,607	28,824	75,597
Capital assets										
Land	-	-	-	-	-	136,810	-	-	221,949	358,759
System	21,834	-	-	4,682,070	47,004,745	84,863,213	243,099	246,563	31,768,147	168,829,671
Construction in progress	-	-	-	-	-	13,929,547	-	-	-	13,929,547
Less accumulated depreciation/amortization	(21,834)	-	-	(2,530,965)	(35,150,513)	(61,522,825)	(150,707)	(246,550)	(16,767,818)	(116,391,212)
Net capital assets	-	-	-	2,151,105	11,854,232	37,406,745	92,392	13	15,222,278	66,726,765
Total noncurrent assets	-	-	-	2,163,098	11,854,232	37,434,918	92,392	6,620	15,251,102	66,802,362
Total assets	23,255,780	6,379,583	2,126,987	3,347,789	25,330,932	59,351,292	261,415	9,424,577	42,144,744	171,623,099
Deferred Outflows of Resources										
Deferred charges on debt	-	-	-	-	-	1,105	-	-	995	2,100
Deferred charges on pensions	250,636	151,185	-	543,720	-	1,489,371	553,070	137,212	1,385,357	4,510,551
Deferred charges on OPEB	199,153	82,951	-	580,864	-	1,045,555	580,864	165,961	1,560,035	4,215,383
Total deferred outflows	449,789	234,136	-	1,124,584	-	2,536,031	1,133,934	303,173	2,946,387	8,728,034
LIABILITIES										
Current Liabilities:										
Payable from current assets										
Accounts payable and accrued liabilities	950,101	529,040	28,953	886,689	183,388	1,629,933	449,958	539,524	1,820,999	7,018,585
Accrued interest payable:										
General obligation bonds	-	-	-	-	-	5,859	-	-	49,105	54,964
Certificates of obligation	-	-	-	5,451	-	52,521	-	-	-	57,972
Customer deposits	-	-	-	-	-	-	-	-	22,303,924	22,303,924
Due to other funds	-	-	-	-	-	156,488	-	4,760,101	-	4,916,589
Compensated absences	30,685	21,670	-	118,529	-	398,906	95,497	7,893	321,977	995,157
Insurance claims payable	2,214,914	2,409,814	315,204	-	-	-	-	-	-	4,939,932
Capital lease	-	-	-	-	-	1,484,722	-	-	-	1,484,722
General obligation bonds	-	-	-	-	-	245,000	-	-	1,525,000	1,770,000
Certificates of obligation	-	-	-	90,000	-	1,005,000	-	-	-	1,095,000
Total current liabilities	3,195,700	2,960,524	344,157	1,100,669	183,388	4,978,429	545,455	5,307,518	26,021,005	44,636,845
Long-term Liabilities:										
Payable from restricted assets										
Accounts payable	-	-	-	-	-	15,093	-	-	-	15,093
Total payable from restricted assets	-	-	-	-	-	15,093	-	-	-	15,093
Advances from other funds	-	-	-	-	-	-	-	3,896,269	-	3,896,269
Certificates of obligation (net of amortized bond premium)	-	-	-	1,215,264	-	5,456,718	-	-	-	6,671,982
General obligation bonds (net of amortized bond premium and defeased debt cost)	-	-	-	-	-	808,192	-	-	6,633,334	7,441,526
Capital lease/SBITA	-	-	-	-	-	6,214,728	-	-	-	6,214,728
Compensated absences	69	5,414	-	48,584	-	189,860	56,597	-	-	300,524
Insurance claims payable	-	3,234,830	2,913,019	-	-	-	-	-	-	6,147,849
Net OPEB liability	678,379	282,658	-	1,978,605	-	3,561,489	1,978,605	565,316	5,313,967	14,359,019
Net pension liability	178,000	107,471	-	386,226	-	1,057,922	392,943	97,396	984,036	3,203,994
Total Long-term Liabilities	856,448	3,630,373	2,913,019	3,628,679	-	17,288,909	2,428,145	4,558,981	12,931,337	48,235,891
Total Liabilities	4,052,148	6,590,897	3,257,176	4,729,348	183,388	22,282,431	2,973,600	9,866,499	38,952,342	92,887,829
Deferred Inflows of resources										
Deferred charges on debt	-	-	-	-	-	64	-	-	3,094	3,158
Deferred charges on pensions	47,111	28,606	-	102,350	-	280,292	104,251	25,696	260,711	849,017
Deferred charges on OPEB	30,532	12,692	-	89,051	-	160,292	89,051	25,443	239,166	646,227
Total deferred inflows	77,643	41,298	-	191,401	-	440,648	193,302	51,139	502,971	1,498,402
NET POSITION										
Net investment in capital assets	-	-	-	857,834	11,854,232	22,206,506	92,392	6,620	7,090,669	42,108,253
Unrestricted	19,575,778	(18,476)	(1,130,189)	(1,306,210)	13,293,312	16,957,738	(1,863,945)	(196,508)	(1,454,851)	43,856,649
Total net position	$ 19,575,778	$ (18,476)	$ (1,130,189)	$ (448,376)	$ 25,147,544	$ 39,164,244	$ (1,771,553)	$ (189,888)	$ 5,635,818	$ 85,964,902

City of Garland, Texas
Internal Service Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2024

	Group Health	Self Insurance	LTD Insurance	Fleet Services	Vehicle Replacement	Information Technology	Facilities Management	Warehouse	Customer Service	Total Internal Service Funds
OPERATING REVENUES:										
Charges for services	$ -	$ -	$ -	$ 12,029,180	$ 4,989,365	$ 30,696,552	$ 12,625,872	$ 1,244,571	14,026,630	$ 75,612,170
Premiums	42,759,842	11,941,732	461,112	-	-	-	-	-	-	55,162,686
Other	9,418,032	469,644	-	50,580	-	452,445	10,840	126,604	166,781	10,694,926
Total Operating Revenues	52,177,874	12,411,376	461,112	12,079,760	4,989,365	31,148,997	12,636,712	1,371,175	14,193,411	141,469,782
OPERATING EXPENSES:										
Salaries and benefits	1,576,035	2,338,964	-	2,872,543	-	8,973,217	2,727,189	701,560	7,109,987	26,299,495
Maintenance, repairs, and other	357,697	105,753	-	7,867,425	437,166	11,867,251	8,992,941	166,791	1,951,523	31,746,547
Premiums	7,572,677	8,157,935	-	-	-	-	-	-	-	15,730,612
Claims	33,890,240	830,917	(93,852)	140,610	-	253,099	140,610	40,174	377,639	35,579,437
Administrative services	695,305	55,506	99,109	-	-	-	-	-	-	849,920
General and administrative	468,718	311,454	-	1,156,260	-	1,883,567	835,735	299,577	3,811,406	8,766,717
Depreciation	-	-	-	125,016	4,211,468	9,828,731	34,678	149	829,014	15,029,056
Total Operating Expenses	44,560,672	11,800,529	5,257	12,161,854	4,648,634	32,805,865	12,731,153	1,208,251	14,079,569	134,001,784
Total Operating Income (Loss)	7,617,202	610,847	455,855	(82,094)	340,731	(1,656,868)	(94,441)	162,924	113,842	7,467,998
NONOPERATING REVENUES (EXPENSES):										
Intergovernmental	331,801	254,396	-	89,594	-	1,071,104	-	-	-	1,746,895
Investment income	964,155	128,504	108,182	54,520	677,470	1,008,265	1,710	335	1,261,497	4,204,638
Interest expense	-	-	-	(36,373)	-	(511,531)	-	-	(226,235)	(774,139)
Gain on sale of capital assets	-	-	-	-	771,170	333,100	-	504	-	1,104,774
Total nonoperating revenues (expenses)	1,295,956	382,900	108,182	107,741	1,448,640	1,900,938	1,710	839	1,035,262	6,282,168
Income (loss) before transfers	8,913,158	993,747	564,037	25,647	1,789,371	244,070	(92,731)	163,763	1,149,104	13,750,166
TRANSFERS										
Transfers in	366,437	(366,437)	-	-	732,241	-	-	-	635,200	1,367,441
Transfers out	-	-	-	(8,046)	-	-	-	-	(8,893)	(16,939)
Net transfers	366,437	(366,437)	-	(8,046)	732,241	-	-	-	626,307	1,350,502
NET INCOME (LOSS)	9,279,595	627,310	564,037	17,601	2,521,612	244,070	(92,731)	163,763	1,775,411	15,100,668
Net position, beginning of year	10,296,183	(645,786)	(1,694,226)	(465,977)	22,625,932	38,920,174	(1,678,822)	(353,651)	3,860,407	70,864,234
Net position, end of year	$ 19,575,778	$ (18,476)	$ (1,130,189)	$ (448,376)	$ 25,147,544	$ 39,164,244	$ (1,771,553)	$ (189,888)	5,635,818	$ 85,964,902

City of Garland, Texas
Internal Service Funds
Statement of Cash Flows
For the Year Ended September 30, 2024

	Group Health	Self Insurance	LTD Insurance	Fleet Services	Vehicle Replacement	Information Technology	Facilities Management	Warehouse	Customer Service	Internal Service Funds
Cash flows from operating activities:										
Cash received from customers	$ 42,747,176	$ 12,015,282	$ 461,112	$ 12,023,220	$ 4,989,365	$ 30,697,937	$ 12,622,718	$ 1,244,571	$ 13,906,340	$ 130,707,721
Cash received for customer deposits	-	-	-	-	-	-	-	-	1,595,035	1,595,035
Cash payments for goods and services	(43,203,556)	(11,961,113)	(511,849)	(9,147,356)	(370,580)	(13,419,304)	(9,965,864)	426,465	(5,921,148)	(94,074,305)
Cash payments to employees for services	(1,639,319)	(2,360,944)	-	(2,952,107)	-	(9,187,271)	(2,800,447)	(747,394)	(7,334,695)	(27,022,177)
Other operating revenues	9,418,032	469,644	-	50,580	-	452,445	10,840	126,604	166,781	10,694,926
Net cash provided by (used for) operating activities	7,322,333	(1,837,131)	(50,737)	(25,663)	4,618,785	8,543,807	(132,753)	1,050,246	2,412,313	21,901,200
Cash flows from non-capital financing activities:										
Due from other funds - increase	-	-	-	(89,594)	-	(1,071,104)	-	-	-	(1,160,698)
Due to other funds - increase (decrease)	-	-	-	-	-	156,488	-	(1,050,750)	-	(894,262)
Intergovernmental	-	-	-	89,594	-	1,071,104	-	-	-	1,160,698
Transfers in	366,437	(366,437)	-	-	732,241	-	-	-	635,200	1,367,441
Transfers out	-	-	-	(8,046)	-	-	-	-	(8,893)	(16,939)
Net cash provided by (used for) non-capital financing activities	366,437	(366,437)	-	(8,046)	732,241	156,488	-	(1,050,750)	626,307	456,240
Cash flows from capital and financing activities:										
Certificate of obligation issues	-	-	-	-	-	1,385,000	-	-	-	1,385,000
Premium on issuance of debt	-	-	-	-	-	140,289	-	-	-	140,289
Acquisition of capital assets	-	-	-	(53,694)	(5,184,091)	(10,077,981)	(21,343)	-	-	(15,337,109)
Principal paid on certificates of obligation	-	-	-	(80,000)	-	(850,000)	-	-	-	(930,000)
Principal paid on general obligation bonds	-	-	-	-	-	(235,000)	-	-	(1,450,000)	(1,685,000)
Decrease in lease	-	-	-	-	-	(2,555,914)	-	-	-	(2,555,914)
Interest paid on certificates of obligation	-	-	-	(44,588)	-	(268,565)	-	-	-	(313,153)
Interest paid on general obligations	-	-	-	-	-	(51,725)	-	-	(420,550)	(472,275)
Interest paid on lease	-	-	-	-	-	(347,436)	-	-	-	(347,436)
Proceeds from sale of assets	-	-	-	-	817,386	333,100	-	504	-	1,150,990
Net cash provided by (used for) financing activities	-	-	-	(178,282)	(4,366,705)	(12,528,232)	(21,343)	504	(1,870,550)	(18,964,608)
Cash flows from investing activities:										
Purchase of investment securities	(4,915,804)	(595,283)	(374,816)	(147,669)	(2,381,935)	(3,679,266)	(26,550)	(1,165)	(4,414,659)	(16,537,147)
Proceeds from the sale and maturity of investment securities	3,194,137	1,001,337	361,849	178,111	2,044,198	4,218,598	56,505	1,094	4,015,274	15,071,103
Interest received on investments	932,221	125,148	105,462	53,126	659,319	981,991	1,284	326	1,227,776	4,086,653
Net cash provided by (used for) investing activities	(789,446)	531,202	92,495	83,568	321,582	1,521,323	31,239	255	828,391	2,620,609
Net increase (decrease) in cash and cash equivalents	6,899,324	(1,672,366)	41,758	(128,423)	1,305,903	(2,306,614)	(122,857)	255	1,996,461	6,013,441
Cash and cash equivalents at beginning of year	11,051,936	4,377,318	1,661,398	799,431	9,517,569	19,011,229	243,501	5,037	18,895,282	65,562,701
Cash and cash equivalents at end of year	$ 17,951,260	$ 2,704,952	$ 1,703,156	$ 671,008	$ 10,823,472	$ 16,704,615	$ 120,644	$ 5,292	$ 20,891,743	$ 71,576,142
Reconciliation to Statement of Net Position										
Cash and cash equivalents	$ 17,951,260	$ 2,704,952	$ 1,703,156	$ 660,795	$ 10,823,472	$ 16,704,615	$ 120,644	$ -	$ 20,861,281	$ 71,530,175
Construction fund cash and cash equivalents	-	-	-	10,213	-	-	-	5,292	30,462	45,967
Total cash and cash equivalents	$ 17,951,260	$ 2,704,952	$ 1,703,156	$ 671,008	$ 10,823,472	$ 16,704,615	$ 120,644	$ 5,292	$ 20,891,743	$ 71,576,142
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:										
Operating income (loss)	$ 7,617,202	$ 610,847	$ 455,855	$ (82,094)	$ 340,731	$ (1,656,868)	$ (94,441)	$ 162,924	$ 113,842	$ 7,467,998
Adjustments:										
Depreciation	-	-	-	125,016	4,211,468	9,828,731	34,678	149	829,014	15,029,056
Provision for uncollectible accounts	-	-	-	-	-	-	-	-	(22,725)	(22,725)
Change in assets and liabilities:										
Decrease in pension related deferred outflows	236,202	142,613	-	512,514	-	1,403,844	521,427	129,243	1,305,797	4,251,640
Increase in OPEB related deferred outflows	(92,519)	(38,550)	-	(269,849)	-	(485,727)	(269,849)	(77,099)	(724,736)	(1,958,329)
Decrease in inventory	-	-	-	94,539	-	-	-	916,458	-	1,010,997
Decrease in net pension liability	(308,255)	(186,117)	-	(668,856)	-	(1,832,086)	(680,489)	(168,668)	(1,704,130)	(5,548,601)
(Increase) decrease in accounts receivable	(12,666)	73,550	-	(5,960)	-	1,384	(3,154)	-	(97,565)	(44,411)
Increase (decrease) in accounts payable	(675,207)	225,381	(57,688)	(218,210)	66,586	207,460	(118,141)	(23,626)	(168,002)	(761,447)
Increase in customer deposits	-	-	-	-	-	-	-	-	1,595,035	1,595,035
Increase (decrease) in compensated absences	(19,334)	4,555	-	15,801	-	47,163	23,766	(21,785)	18,265	68,431
(Increase) decrease in prepaid expense	(11,725)	(2,734,773)	-	-	-	124,055	(19,047)	-	9,784	(2,631,706)
Increase in OPEB liability	150,945	62,894	-	440,256	-	792,462	440,256	125,788	1,182,402	3,195,003
(Increase) decrease in insurance claims payable	419,804	(10,243)	(448,904)	-	-	-	-	-	-	(39,343)
Decrease in pension related deferred inflows	28,102	16,968	-	60,977	-	167,024	62,038	15,376	155,359	505,844
Increase in OPEB related deferred inflows	(10,216)	(4,256)	-	(29,797)	-	(53,635)	(29,797)	(8,514)	(80,027)	(216,242)
Total adjustments	(294,869)	(2,447,978)	(506,592)	56,431	4,278,054	10,200,675	(38,312)	887,322	2,298,471	14,433,202
Net cash provided by (used for) operating activities	$ 7,322,333	$ (1,837,131)	$ (50,737)	$ (25,663)	$ 4,618,785	$ 8,543,807	$ (132,753)	$ 1,050,246	$ 2,412,313	$ 21,901,200
Non-cash transactions:										
Change in restricted accounts payable	$ -	$ -	$ -	$ -	$ -	$ 15,093	$ -	$ -	$ -	15,093
Increase in fair value of investments	(36,153)	(5,448)	(3,430)	(1,352)	(21,798)	(33,643)	(243)	(11)	(40,400)	(142,478)

CITY OF GARLAND, TEXAS
Statistical Section
(Unaudited)

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Financial Trends **133**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity **139**

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity **143**

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information **148**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information **151**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Garland
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	$ 141,966,385	$ 150,422,234	$ 177,385,098	$ 183,437,109	$ 183,829,761	$ 237,358,502	$ 251,747,773	$ 302,387,528	$ 373,586,337	$ 474,829,891
Restricted	6,284,970	7,904,536	8,365,076	14,797,879	12,472,754	16,447,494	18,339,918	15,264,174	16,948,983	19,260,816
Unrestricted	11,717,842	7,879,932	699,772	(10,392,577)	13,235,542	5,851,385	35,769,943	73,480,848	101,700,484	86,482,412
Total governmental activities net position	$ 159,969,197	$ 166,206,702	$ 186,449,946	$ 187,842,411	$ 209,538,057	$ 259,657,381	$ 305,857,634	$ 391,132,550	$ 492,235,804	$ 580,573,119
Business-type activities										
Net investment in capital assets	$ 376,738,418	$ 393,233,982	$ 408,670,773	$ 426,347,930	$ 433,039,663	$ 430,385,905	$ 448,128,873	$ 482,719,644	$ 511,315,161	$ 527,113,667
Restricted	182,974,266	184,733,224	186,750,517	164,352,786	181,885,584	200,258,011	236,758,735	249,708,785	246,718,384	268,194,572
Unrestricted	124,110,995	91,707,333	61,283,046	66,062,217	106,130,672	138,206,756	115,775,777	125,838,651	140,435,086	190,623,055
Total business-type activities net position	$ 683,823,679	$ 669,674,539	$ 656,704,336	$ 656,762,933	$ 721,055,919	$ 768,850,672	$ 800,663,385	$ 858,267,080	$ 898,468,631	$ 985,931,294
Primary government										
Net investment in capital assets	$ 518,704,803	$ 543,656,216	$ 586,055,871	$ 609,785,039	$ 616,869,424	$ 667,744,407	$ 699,876,646	$ 785,107,172	$ 884,901,498	$ 1,001,943,558
Restricted	189,259,236	192,637,760	195,115,593	179,150,665	194,358,338	216,705,505	255,098,653	264,972,959	263,667,367	287,455,388
Unrestricted	135,828,837	99,587,265	61,982,818	55,669,640	119,366,214	144,058,141	151,545,720	199,319,499	242,135,570	277,105,467
Total primary government activities net position	$ 843,792,876	$ 835,881,241	$ 843,154,282	$ 844,605,344	$ 930,593,976	$ 1,028,508,053	$ 1,106,521,019	$ 1,249,399,630	$ 1,390,704,435	$ 1,566,504,413

City of Garland
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	$ 28,672,583	$ 32,857,828	$ 33,421,800	$ 34,425,497	$ 37,666,863	$ 42,142,722	$ 42,122,789	$ 44,381,242	$ 50,061,998	$ 50,111,754
Public safety	93,438,294	103,855,466	107,419,896	108,420,934	120,253,380	120,243,599	118,229,934	117,578,721	142,070,923	148,261,922
Public works	42,473,055	46,703,808	39,356,985	42,764,067	46,038,188	48,199,894	57,058,678	50,627,594	39,720,966	57,527,838
Culture and recreation	21,780,835	24,405,765	24,743,188	24,323,627	28,281,367	26,708,528	24,808,132	25,048,374	33,478,258	33,563,418
Public health	4,401,399	4,819,386	4,682,394	4,405,451	5,144,733	5,072,234	5,320,061	5,736,694	7,090,684	7,444,788
Interest and fiscal charges	8,323,617	8,833,481	8,391,567	7,339,076	6,669,810	6,648,006	6,508,036	8,125,122	11,559,848	15,973,660
Total governmental activities expenses	199,089,783	221,475,734	218,015,830	221,678,652	244,054,341	249,014,983	254,047,630	251,497,747	283,982,677	312,883,380
Business-type activities:										
Electric	319,583,367	281,386,514	282,989,503	259,269,873	236,681,376	241,329,104	319,876,181	326,533,367	357,738,976	317,003,646
Water	48,965,136	54,403,015	58,299,626	64,111,798	65,530,161	67,600,465	66,983,984	67,916,783	72,222,503	74,763,157
Sewer	35,609,533	36,662,146	37,321,258	38,352,152	38,297,685	39,666,456	38,716,017	40,069,004	44,238,025	47,214,598
Golf	4,808,720	4,926,096	5,080,114	4,583,422	4,875,332	4,705,089	4,650,746	4,680,834	5,157,683	5,773,993
Heliport	5,351	5,350	5,344	5,315	19,060	23,272	31,605	109,340	33,170	7,406
Storm water management	3,949,180	3,878,831	3,842,023	4,292,213	4,206,675	4,285,236	4,486,235	4,394,660	5,109,577	5,265,438
Parks performance	1,113,223	1,233,076	1,259,287	1,248,760	1,159,836	705,424	447,070	914,428	1,212,489	1,428,053
Sanitation	17,085,912	17,786,836	17,841,828	18,485,025	19,991,136	20,979,102	20,941,959	22,358,689	24,347,584	25,358,957
Total business-type activities expenses	431,120,422	400,281,864	406,638,983	390,348,558	370,761,261	379,294,148	456,133,797	466,977,105	510,060,007	476,815,248
Total primary government expenses	$ 630,210,205	$ 621,757,598	$ 624,654,813	$ 612,027,210	$ 614,815,602	$ 628,309,131	$ 710,181,427	$ 718,474,852	$ 794,042,684	$ 789,698,628
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 7,211,710	$ 8,235,397	$ 8,432,962	$ 9,910,970	$ 9,192,290	$ 9,512,403	$ 9,632,574	$ 10,147,477	$ 10,472,208	$ 10,815,733
Public safety	15,447,629	17,925,072	19,019,451	19,654,603	19,756,620	16,252,716	17,458,794	18,614,940	18,954,602	20,390,608
Public works	16,858,348	20,301,355	19,976,447	18,752,900	21,377,178	23,350,575	23,623,136	30,652,914	38,659,738	35,911,698
Culture and recreation	1,580,984	1,489,423	1,367,082	1,354,400	1,351,315	651,540	745,087	846,025	980,369	1,007,373
Public health	460,154	546,298	539,542	514,925	598,254	442,161	408,506	586,770	625,917	732,079
Operating grants and contributions	14,640,650	15,090,766	16,271,994	15,409,934	17,041,881	31,861,124	23,114,835	28,231,559	25,848,787	42,287,915
Capital grants and contributions	2,695,395	8,377,011	12,892,981	11,057,555	6,572,632	10,947,632	8,014,890	14,426,428	17,344,305	2,939,342
Total governmental activities program revenues	58,894,870	71,965,322	78,500,459	76,655,287	75,890,170	93,018,151	82,997,822	103,506,113	112,885,926	114,084,748
Business-type activities:										
Charges for services:										
Electric	338,473,487	278,334,789	279,846,202	287,169,337	291,458,932	284,768,630	356,541,531	347,199,616	369,778,809	375,502,169
Water	57,135,679	63,373,281	63,623,236	76,184,876	75,578,798	79,828,745	75,816,909	85,849,164	91,487,025	94,120,371
Sewer	43,609,415	44,628,715	44,237,184	43,902,151	46,737,430	47,421,755	48,655,766	51,529,174	55,275,930	58,429,973
Golf	3,528,120	3,577,522	3,964,942	3,708,057	3,770,352	3,365,566	4,142,530	4,556,754	4,869,605	5,175,388
Heliport	7,018	7,032	7,118	7,257	7,378	7,522	7,640	7,937	8,328	8,643
Storm water management	3,829,343	3,819,769	3,860,797	4,326,657	4,445,090	4,963,130	4,986,272	5,046,990	5,110,045	6,605,122
Parks performance	1,091,961	1,198,950	1,220,969	1,092,368	1,168,863	638,751	538,925	1,224,679	1,362,073	1,656,860
Sanitation	19,243,412	19,379,321	19,712,847	19,877,745	19,974,028	21,193,039	21,533,586	23,390,261	25,889,058	26,947,483
Operating grants and contributions	-	-	884,150	-	-	-	854,633	7,269	-	-
Capital grants and contributions	1,678,626	2,534,605	3,113,641	3,600,423	3,311,593	4,070,500	3,502,161	3,690,597	4,899,114	2,532,668
Total business-type activities program revenues	468,597,061	416,853,984	420,471,086	439,868,871	446,452,464	446,257,638	516,579,953	522,502,441	558,679,987	570,978,677
Total primary government program revenues	$ 527,491,931	$ 488,819,306	$ 498,971,545	$ 516,524,158	$ 522,342,634	$ 539,275,789	$ 599,577,775	$ 626,008,554	$ 671,565,913	$ 685,063,425

City of Garland
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (expense)/revenue										
Governmental activities	$ (140,194,913)	$ (149,510,412)	$ (139,515,371)	$ (145,023,365)	$ (168,164,171)	$ (155,996,832)	$ (171,049,808)	$ (147,991,634)	$ (171,096,751)	$ (198,798,632)
Business-type activities	37,476,639	16,572,120	13,832,103	49,520,313	75,691,203	66,963,490	60,446,156	55,525,336	48,619,980	94,163,429
Total primary government net expense	$ (102,718,274)	$ (132,938,292)	$ (125,683,268)	$ (95,503,052)	$ (92,472,968)	$ (89,033,342)	$ (110,603,652)	$ (92,466,298)	$ (122,476,771)	$ (104,635,203)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	$ 74,345,310	$ 79,069,419	$ 87,329,443	$ 95,795,752	$ 106,255,121	$ 124,854,949	$ 133,819,570	$ 138,889,834	$ 154,112,428	$ 163,692,333
Sales taxes	26,497,069	30,234,776	29,894,875	30,129,008	31,035,747	30,527,171	35,580,376	41,173,582	49,075,997	46,641,936
Franchise taxes	8,832,022	8,452,280	8,746,777	8,912,728	8,510,877	7,003,961	7,119,922	7,668,703	7,651,287	8,124,300
Hotel/motel taxes	1,071,660	1,356,259	1,415,395	1,431,266	1,525,983	1,250,293	1,380,570	1,644,590	1,737,493	1,764,356
Mixed drink taxes	351,879	370,992	401,934	413,241	423,577	327,410	407,951	479,516	472,482	469,842
Bingo taxes	105,198	116,434	86,889	88,130	107,056	128,102	141,864	137,956	136,187	135,237
Unrestricted investment earnings	821,107	913,992	1,117,176	2,313,130	6,072,790	3,720,948	130,798	675,329	16,984,456	24,094,214
Miscellaneous	2,788,292	251,073	606,208	34,151	833,032	129,546	198,927	491,238	184,500	278,672
Transfers	32,236,236	34,982,692	30,159,918	40,394,892	35,095,634	38,173,776	38,470,083	42,105,802	41,845,175	41,935,057
Total governmental activities	147,048,773	155,747,917	159,758,615	179,512,298	189,859,817	206,116,156	217,250,061	233,266,550	272,200,005	287,135,947
Business-type activities:										
Unrestricted investment earnings	1,823,835	1,671,185	1,961,783	3,216,278	8,233,512	6,819,640	289,125	346,630	19,474,298	26,353,206
Miscellaneous	1,701,956	2,590,247	1,395,829	2,100,389	15,493,423	12,185,399	9,547,515	43,837,531	13,952,448	8,881,085
Transfers	(32,236,236)	(34,982,692)	(30,159,918)	(40,394,892)	(35,095,634)	(38,173,776)	(38,470,083)	(42,105,802)	(41,845,175)	(41,935,057)
Total business-type activities	(28,710,445)	(30,721,260)	(26,802,306)	(35,078,225)	(11,368,699)	(19,168,737)	(28,633,443)	2,078,359	(8,418,429)	(6,700,766)
Total primary government	$ 118,338,328	$ 125,026,657	$ 132,956,309	$ 144,434,073	$ 178,491,118	$ 186,947,419	$ 188,616,618	$ 235,344,909	$ 263,781,576	$ 280,435,181
Change in Net Position										
Governmental activities	$ 6,853,860	$ 6,237,505	$ 20,243,244	$ 34,488,933	$ 21,695,646	$ 50,119,324	$ 46,200,253	$ 85,274,916	$ 101,103,254	$ 88,337,315
Business-type activities	8,766,194	(14,149,140)	(12,970,203)	14,442,088	64,322,504	47,794,753	31,812,713	57,603,695	40,201,551	87,462,663
Cumulative effect of change in acctg principle	18,575,907	-	-	(47,479,959)	(29,518)	-	-	-	-	-
Total primary government	$ 34,195,961	$ (7,911,635)	$ 7,273,041	$ 1,451,062	$ 85,988,632	$ 97,914,077	$ 78,012,966	$ 142,878,611	$ 141,304,805	$ 175,799,978

Table 3

City of Garland
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Hotel/Motel Tax	Mixed Drink Tax	Bingo Tax	Total
2015	$ 74,345,310	$ 26,497,069	$ 8,832,022	$ 1,071,660	$ 351,879	$ 105,198	$ 111,203,138
2016	79,069,419	30,234,776 *	8,452,280	1,356,259	370,992	116,434	119,600,160
2017	87,329,443	29,894,875	8,746,777	1,415,395	401,934	86,889	127,875,313
2018	95,795,752	30,129,008	8,912,728	1,431,266	413,241	88,130	136,770,125
2019	106,255,121	31,035,747	8,510,877	1,525,983	423,577	107,056	147,858,361
2020	124,854,949	30,527,171	7,003,961	1,250,293	327,410	128,102	164,091,886
2021	133,819,570	35,580,376	7,119,922	1,380,570	407,951	141,864	178,450,253
2022	138,889,834	41,173,582	7,668,703	1,644,590	479,516	137,956	189,994,181
2023	154,112,428	49,075,997	7,651,287	1,737,493	472,482	136,187	213,185,874
2024	163,692,333	46,641,936	8,124,300	1,764,356	469,842	135,237	220,828,004

* Sales tax includes a one-time audit adjustment of $1,267,967.

City of Garland
Fund Balances of Government Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	$ -	$ -	$ -	$ -	$ 42,686	$ 2,216	$ -	$ -	$ 23,230	$ 69,256
Restricted for construction	820,577	851,283	762,777	2,661,895	1,758,414	2,072,994	1,951,780	2,134,656	2,206,940	2,621,210
Committed	-	-	-	11,399,953	7,650,641	13,340,757	9,380,541	4,451,120	3,389,725	13,831,870
Assigned	3,980,000	3,730,000	3,480,000	3,230,000	3,230,000	14,067,692	12,222,677	11,446,677	11,446,677	17,356,677
Unassigned	20,944,205	22,467,723	30,955,648	17,641,489	23,139,762	23,171,802	27,423,751	37,334,688	46,684,001	35,849,487
Total general fund	$ 25,744,782	$ 27,049,006	$ 35,198,425	$ 34,933,337	$ 35,821,503	$ 52,655,461	$ 50,978,749	$ 55,367,141	$ 63,750,573	$ 69,728,500
All other government funds										
Non spendable:										
Prepaid	$ -	$ -	$ -	$ -	$ 4,179,824	$ -	$ -	$ -	$ -	$ 1,332
Restricted for:										
General government	344,704	460,690	619,178	3,728,181	4,188,943	4,498,658	5,025,275	4,036,577	7,389,883	11,454,669
Debt service	6,235,664	5,729,738	6,298,049	6,556,425	5,589,684	6,724,308	8,328,386	6,644,690	5,398,217	3,562,813
Parks construction	115,016	368,549	961,391	581,433	918,946	-	-	-	-	-
Streets and drainage	68,129	2,748,505	11,292,276	2,222,061	-	-	-	-	-	-
Public facilities	42,207,841	36,664,668	38,207,888	38,421,468	28,975,889	35,317,431	32,085,846	45,587,365	87,353,710	169,126,664
Other capital projects	6,921,928	237,619	828,678	-	-	-	-	-	-	-
Housing assistance	1,005,267	1,354,176	1,176,106	2,113,317	1,898,867	3,943,520	3,607,673	4,047,030	3,247,532	3,927,274
Public safety	786,043	798,548	567,248	310,362	278,305	216,452	332,625	400,262	968,457	1,135,995
Committed for:										
General government	-	-	-	-	-	-	-	-	-	-
Neighborhood services	426,644	528,668	512,220	-	-	-	-	-	-	-
Culture & recreation	1,963,149	2,273,584	2,531,681	-	-	-	-	-	-	-
Landfill closure	197,263	25,631	25,932	-	-	-	-	-	-	-
Public works and infrastructure	6,643,558	7,352,692	6,628,149	8,155,937	10,207,382	12,382,296	14,176,005	17,701,835	21,854,246	21,008,330
Assigned for:										
General government	-	-	-	9,755,580	8,704,005	7,860,555	9,734,074	7,616,354	8,311,163	9,600,318
Unassigned										
Nonmajor governmental funds	-	-	-	(24,480)	(96,565)	(10,130)	(23,117)	(181,683)	-	-
Total all other governmental funds	$ 66,915,206	$ 58,543,068	$ 69,648,796	$ 71,820,284	$ 64,845,280	$ 70,933,090	$ 73,266,767	$ 85,852,430	$ 134,523,208	$ 219,817,395

Note: In 2018, fund balances associated with Infrastructure, Public Health, and Economic Development was designated as committed.

City of Garland
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	$ 102,157,106	$ 110,932,701	$ 119,054,419	$ 127,764,097	$ 139,137,219	$ 156,944,579	$ 169,983,313	$ 182,831,544	$ 202,891,886	$ 214,787,768
Franchise fees	8,832,022	8,452,280	8,746,777	8,912,728	8,510,877	7,003,961	7,119,922	7,668,703	7,651,287	8,124,300
Service charges	22,040,585	26,789,030	26,037,157	27,082,445	30,359,398	30,165,738	31,240,300	36,423,598	39,911,038	42,655,792
Licenses and permits	3,860,441	4,906,892	5,201,460	4,488,052	4,869,605	4,586,832	4,981,566	7,018,315	8,638,192	5,623,490
Investment earnings	607,191	625,129	837,061	1,703,775	4,421,741	2,832,265	138,672	692,150	14,123,317	19,889,572
Intergovernmental	13,692,567	14,656,626	14,628,063	16,237,327	16,922,301	32,366,750	22,694,063	27,972,554	33,822,809	42,442,902
Charges for services	8,576,934	8,975,685	9,426,444	9,819,344	10,126,440	10,334,101	10,445,154	10,526,736	10,966,019	11,501,589
Fines and forfeits	6,608,238	7,521,426	8,586,513	7,234,696	6,724,195	3,362,932	4,563,460	4,986,774	5,257,099	5,435,898
Rents and concessions	829,410	748,504	745,942	771,769	754,648	499,969	532,355	601,317	824,633	860,543
Assessments	195,043	82,743	39,797	39,872	48,442	28,168	96,227	79,448	82,924	77,072
Impact fees	1,405,625	714,624	1,640,837	1,441,120	1,769,149	2,305,938	2,222,381	3,270,517	4,197,459	2,160,362
Contributions	30,847	151,654	-	-	-	-	350,000	500,000	400,000	461,162
Program income	408,698	740,485	360,193	1,405,285	517,753	764,150	573,958	381,661	705,618	376,527
Special event income	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,358,754	4,879,561	12,237,187	6,620,881	3,062,947	5,210,525	3,317,285	4,883,724	13,567,851	4,192,432
Awards	334,576	218,681	291,479	160,403	237,120	101,224	211,981	202,494	96,822	503,702
Total Revenues	170,938,037	190,396,021	207,833,329	213,681,794	227,461,835	256,507,132	258,470,637	288,039,535	343,136,954	359,093,111
Expenditures										
General government	10,335,083	12,471,750	11,784,388	12,083,845	12,346,659	12,643,915	12,763,589	13,930,565	15,602,461	17,124,367
Public safety	81,633,191	87,878,926	89,743,140	95,537,161	100,113,212	102,099,911	106,576,228	110,364,300	120,445,204	131,752,831
Public works	20,656,938	22,529,626	22,329,429	27,150,168	18,680,546	19,234,473	20,081,425	22,437,962	24,494,838	25,772,236
Culture and recreation	13,573,292	14,366,431	15,083,685	16,471,742	17,562,268	16,469,559	16,796,831	18,877,832	19,719,883	21,113,295
Public health	3,763,652	3,885,801	3,801,719	3,833,685	4,003,801	4,037,036	4,768,937	5,564,432	5,799,000	6,426,983
Nondepartmental	23,629,265	26,805,888	24,798,432	27,873,387	26,718,604	26,661,783	29,205,434	31,464,252	37,051,736	37,582,714
Operations	14,635,127	15,326,008	15,376,461	16,288,216	17,966,870	23,211,661	26,297,104	28,737,560	29,339,891	28,336,560
Capital Outlay	18,359,468	29,638,166	30,314,161	46,444,414	64,584,868	67,491,361	101,843,349	118,272,884	122,241,801	136,075,841
Debt service										
Principal	19,810,813	21,600,000	21,980,000	24,785,000	26,940,000	27,695,000	29,220,000	30,730,000	31,165,000	34,010,000
Interest	9,078,192	10,308,594	8,939,092	9,706,544	9,478,699	10,436,805	9,754,827	10,555,487	14,227,172	17,109,542
Issue costs on issuance of debt	313,973	-	490,612	-	291,431	11,355	10,426	-	-	-
Other charges	406,218	300,280	319,197	415,626	465,961	502,281	794,701	930,995	897,875	1,472,688
Total expenditures	216,195,212	245,111,470	244,960,316	280,589,788	299,152,919	310,495,140	358,112,851	391,866,269	420,984,861	456,777,057
Excess of revenues over (under) expenditures	(45,257,175)	(54,715,449)	(37,126,987)	(66,907,994)	(71,691,084)	(53,988,008)	(99,642,214)	(103,826,734)	(77,847,907)	(97,683,946)
Other financing sources (uses)										
Sale of capital assets	167,619	624,725	557,911	68,888	1,190,890	153,276	153,384	194,853	853,100	1,418,434
Transfers in	49,149,623	44,272,571	49,444,705	66,566,899	65,530,207	80,903,202	91,673,258	106,261,136	123,691,301	134,281,053
Transfers out	(19,724,709)	(14,019,482)	(19,708,769)	(26,253,518)	(26,375,285)	(43,540,870)	(53,975,469)	(66,691,528)	(82,618,934)	(93,696,498)
Issuance of debt	40,370,000	14,765,000	23,490,000	25,365,000	21,775,000	34,975,000	55,960,000	76,150,000	84,715,000	134,795,000
Premium on issuance of debt	3,081,644	2,004,721	10,211,911	3,067,125	7,458,657	4,618,549	6,652,271	4,886,328	8,261,650	12,158,071
Refunding proceeds	34,525,000	-	55,425,000	-	34,905,000	1,170,000	875,000	-	-	-
Payment to bond refunding agent	(35,764,832)	-	(63,038,619)	-	(38,880,223)	(1,369,381)	(1,039,265)	-	-	-
Total other financing sources (uses)	71,804,345	47,647,535	56,382,139	68,814,394	65,604,246	76,909,776	100,299,179	120,800,789	134,902,117	188,956,060
Net change in fund balances	$ 26,547,170	$ (7,067,914)	$ 19,255,152	$ 1,906,400	$ (6,086,838)	$ 22,921,768	$ 656,965	$ 16,974,055	$ 57,054,210	$ 91,272,114
Debt service as a percentage of noncapital expenditures	14.73%	15.07%	15.04%	15.46%	15.71%	15.80%	15.32%	15.21%	15.30%	16.04%

Table 6

City of Garland
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended September 30,	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2015	$ 7,113,456,210	$ 4,928,351,740	$ 841,096,940	$ 2,456,451,404	$ 10,426,453,486	0.7046
2016	7,636,480,700	5,189,352,440	829,469,960	2,573,293,675	11,082,009,425	0.7046
2017	8,807,329,810	5,738,601,110	873,666,970	3,086,963,695	12,332,634,195	0.7046
2018	9,710,744,870	6,070,137,390	928,053,960	3,257,290,309	13,451,645,911	0.7046
2019	11,154,489,960	6,558,625,310	941,717,780	3,718,523,856	14,936,309,194	0.7046
2020	11,816,598,780	7,166,662,540	1,085,747,000	4,022,787,704	16,046,220,616	0.7696
2021	12,289,732,539	6,836,331,220	1,058,025,080	4,127,269,779	16,056,819,060	0.7696
2022	13,327,520,650	7,658,995,760	1,087,965,790	4,109,076,200	17,965,406,000	0.7570
2023	16,253,586,310	8,843,964,890	1,295,445,700	5,620,644,902	20,772,351,998	0.7167
2024	21,151,966,049	6,937,853,860	1,516,337,830	6,008,180,752	23,597,976,987	0.6897

Note: Total Taxable Assessed Value represents the original certified taxable value. It does not include valuation of protested property at certification date.

Source: City of Garland, Texas - Tax Office

City of Garland
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(unaudited)

	City Direct Rates			Overlapping Rates*												
Fiscal Year	General Fund	Debt Service Fund	Total Direct	Garland Independent School District	Dallas County	Dallas County Hospital District	Dallas County Community College District	Dallas Independent School District	Dallas County Schools	Richardson Independent School District	Mesquite Independent School District	Collin County	Collin County Community College District	Plano Independent School District	Rockwall Independent School District	Rockwall County
2015	$ 0.3940	$ 0.3106	$ 0.7046	$ 1.2533	$ 0.2431	$ 0.2860	$ 0.1247	$ 1.2821	$ 0.0100	$ 1.3400	$ 1.4100	$ 0.2350	$ 0.0820	$ 1.4480	$ -	$ -
2016	0.3940	0.3106	0.7046	1.2533	0.2431	0.2860	0.1247	1.2821	0.0100	1.3400	1.4100	0.2350	0.0820	1.4480	-	-
2017	0.3940	0.3106	0.7046	1.4600	0.2431	0.2794	0.1229	1.2821	0.0093	1.3901	1.4600	0.2084	0.0812	1.4390	-	-
2018	0.3940	0.3106	0.7046	1.4600	0.2431	0.2794	0.1240	1.4120	0.0090	1.5200	1.5200	0.1810	0.0810	1.4390	1.4300	0.3280
2019	0.3940	0.3106	0.7046	1.4600	0.2431	0.2794	0.1240	1.4120	0.0090	1.5200	1.5200	0.1810	0.0810	1.4390	1.4300	0.3280
2020	0.3940	0.3756	0.7696	1.3463	0.2379	0.2661	0.1240	1.2967	0.0100	1.3100	1.4464	0.1725	0.0812	1.3238	1.4047	0.3131
2021	0.3940	0.3756	0.7696	1.2600	0.2279	0.2550	0.1235	1.2870	0.0100	1.3909	1.4500	0.1681	0.0812	1.3208	1.3100	0.3131
2022	0.3814	0.3756	0.7570	1.3900	0.2279	0.2550	0.1235	1.2970	0.0100	1.3909	1.3120	0.3181	0.0812	1.3208	1.2736	0.3131
2023	0.3411	0.3756	0.7167	1.1725	0.2179	0.2358	0.1159	1.1849	0.0100	1.3146	1.2846	0.1524	0.0812	1.2598	1.2146	0.2925
2024	0.3141	0.3756	0.6897	1.0532	0.2157	0.2195	0.1100	1.0138	0.0100	1.1431	1.0992	0.1493	0.0812	1.0779	1.0192	0.2760

Source: City of Garland, Texas - Tax Office and State of Texas Comptroller Office

Note: The City's basic tax rate cannot exceed $2.50 per $100 assessed value.

* Overlapping rates are those of local and county governments that apply to property owners within the City of Garland. Not all overlapping rates apply to all City of Garland property owners; for example, although the county property tax rates apply to all city property owners, the Mesquite Independent School District rates apply only to property owners whose property is located within that districts' geographic boundaries.

City of Garland
Principal Property Tax Payers
Current Year and Nine Years Ago
(unaudited)

	2024			2015		
Taxpayer	**Taxable Assessed Valuation**	**Rank**	**Percent of Total City Taxable Assessed Value**	**Taxable Assessed Valuation**	**Rank**	**Percent of Total City Taxable Assessed Value**
Kraft Heinz Food Company	$ 143,811,710	1	0.61%	$ 46,497,245	6	0.44%
Oboe LLC	134,451,210	2	0.57%			
BM EF Preserve LLC	110,000,000	3	0.47%	-		
Simon Property Group	96,100,000	4	0.41%	102,138,280	2	0.98%
Lookout Drive Owner LLC	89,950,000	5	0.38%	-		-
CF Hendry Multifamily Dist	89,570,610	6	0.38%			
SDC DFW VII LP	86,704,830	7	0.37%			
BM EF Spring Creek LLC	77,000,000	8	0.33%	43,500,000	8	0.42%
NTT Global Data Center Americas Inc.	73,794,580	9	0.31%			
JDFW III LLC	69,950,000	10	0.30%	-		-
Walmart/Sam's Club	-		-	125,014,200	1	1.20%
Plastipak Packaging Inc.	-		-	68,368,153	3	0.65%
Verizon	-		-	51,972,530	4	0.50%
Valspar Engineered Polymer	-		-	47,831,927	5	0.46%
Sears Roebuck and Co.	-		-	44,163,664	7	0.42%
US Food Service, Inc	-		-	41,190,562	9	0.39%
Advenir @ Town Center	-		-	40,386,830	10	0.39%
	$ 971,332,940		4.12%	$ 611,063,391		5.85%

Source: City of Garland, Texas - Tax Office

Table 9

City of Garland
Property Tax Levies and Collections
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collections within Fiscal Year of the Levy		Collections & Adjustments in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	$ 73,798,105	$ 73,250,492	99.26%	$ 507,836	$ 73,758,328	99.95%
2016	78,610,052	78,025,905	99.26%	543,821	78,569,726	99.95%
2017	86,774,848	86,089,470	99.21%	638,318	86,727,788	99.95%
2018	95,302,690	94,597,181	99.26%	642,797	95,239,978	99.93%
2019	105,747,469	104,849,923	99.15%	812,161	105,662,084	99.92%
2020	124,526,948	123,427,570	99.12%	973,157	124,400,727	99.90%
2021	133,202,374	131,815,302	98.96%	1,138,508	132,953,810	99.81%
2022	138,853,429	137,652,333	99.13%	890,931	138,543,264	99.78%
2023	153,859,680	152,116,206	98.87%	978,536	153,094,742	99.50%
2024	163,983,214	163,529,247	99.72%	-	161,978,149	98.78%

Source: City of Garland, Texas - Tax Office and Financial Services

City of Garland
Ratios of Outstanding Debt by Year
Last Ten Fiscal Years
(unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GOVERNMENTAL ACTIVITIES										
General Government										
General Obligation Bonds	$ 201,764,579	$ 183,515,056	$ 187,493,295	$ 165,534,662	$ 142,845,624	$ 145,969,279	$ 167,508,490	$ 201,698,826	$ 240,761,412	$ 328,691,236
Certificates of Obligation	56,061,573	67,278,178	65,614,844	87,129,637	103,274,963	107,105,467	114,767,952	126,191,407	144,248,461	164,254,086
Other Obligations	-	-	-	-	-	-	-	-	-	7,486,443
Total	257,826,152	250,793,234	253,108,139	252,664,299	246,120,587	253,074,746	282,276,442	327,890,233	385,009,873	500,431,765
Percentage of Personal Income	5.08%	4.67%	4.51%	4.58%	4.22%	4.12%	4.53%	4.82%	5.14%	6.36%
Per Capita	1,099	1,063	1,069	1,060	1,027	1,042	1,147	1,324	1,547	2,001
Internal Services										
General Obligation Bonds	$ 1,561,225	$ 1,287,166	$ 5,943,831	$ 5,555,243	$ 18,534,641	$ 16,674,844	$ 14,786,596	$ 12,959,334	$ 11,102,673	$ 9,211,526
Certificates of Obligation	26,167,129	25,940,730	19,695,033	17,994,195	3,749,604	4,554,045	4,137,057	6,199,512	7,312,150	7,766,983
Other Obligations	-	-	-	-	-	-	-	-	-	7,699,448
Total	27,728,354	27,227,896	25,638,864	23,549,438	22,284,245	21,228,889	18,923,653	19,158,846	18,414,823	24,677,957
Percentage of Personal Income	0.55%	0.51%	0.46%	0.43%	0.38%	0.35%	0.30%	0.28%	0.25%	0.31%
Per Capita	118.23	115.43	108.28	98.83	92.97	87.39	76.87	77.38	74.01	98.67
Total Governmental Activities										
General Obligation Bonds	$ 203,325,804	$ 184,802,222	$ 193,437,126	$ 171,089,905	$ 161,380,265	$ 162,644,123	$ 182,295,086	$ 214,658,160	$ 251,864,085	$ 337,902,762
Certificates of Obligation	82,228,702	93,218,908	85,309,877	105,123,832	107,024,567	111,659,512	118,905,009	132,390,919	151,560,611	172,021,069
Other Obligations	-	-	-	-	-	-	-	-	-	7,486,443
Total	285,554,506	278,021,130	278,747,003	276,213,737	268,404,832	274,303,635	301,200,095	347,049,079	403,424,696	517,410,274
Percentage of Personal Income	5.62%	5.18%	4.97%	4.92%	4.61%	4.46%	4.83%	5.10%	5.38%	6.57%
Per Capita	1,218	1,179	1,177	1,159	1,120	1,129	1,224	1,402	1,621	2,069
BUSINESS-TYPE ACTIVITIES										
Revenue Bonds	$ 381,487,963	$ 356,430,875	$ 371,429,037	$ 427,244,016	$ 560,632,179	$ 749,207,794	$ 996,353,910	$ 984,142,356	$ 1,033,584,016	$ 1,015,699,444
General Obligation Bonds	48,745,628	38,143,825	28,335,233	18,829,023	10,697,916	11,777,670	698,691	15,823	15,547	15,270
Certificates of Obligation	200,060,219	188,467,493	175,497,335	162,615,617	146,366,550	3,744,894	11,709,534	12,738,890	12,728,755	15,896,456
Commercial Paper	35,000,000	89,910,000	163,280,000	159,440,000	100,500,000	100,500,000	57,500,000	80,000,000	41,400,000	91,400,000
Other Obligations	-	-	-	-	-	-	-	-	-	925,880
Total	665,293,810	672,952,193	738,541,605	768,128,656	818,196,645	865,230,358	1,066,262,135	1,076,897,069	1,087,728,318	1,123,937,050
Percentage of Personal Income	13.10%	12.54%	13.16%	13.92%	14.82%	14.07%	17.11%	15.84%	14.51%	14.28%
Per Capita	2,837	2,853	3,119	3,223	3,414	3,562	4,331	4,350	4,372	4,494
Total Primary Government	$ 950,848,316	$ 950,973,323	$ 1,017,288,608	$ 1,044,342,393	$ 1,086,601,477	$ 1,139,533,993	$ 1,367,462,230	$ 1,423,946,148	$ 1,491,153,014	$ 1,641,347,324
Percentage of Personal Income	18.72%	17.72%	18.13%	18.92%	18.65%	18.53%	21.95%	20.94%	19.89%	20.85%
Per Capita	4,054	4,032	4,296	4,383	4,533	4,691	5,555	5,751	5,993	6,563

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Demographic and Economic Statistics for personal income and population data.

It should be noted that a substantial portion of the debt associated with Business-Type activities is related to the Electric Utility and includes debt associated with transmission line projects that will allow the utility to receive additional transmission revenue from the Electric Reliability Council of Texas ratepayers.

City of Garland
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GOVERNMENTAL ACTIVITIES										
General Government										
General Obligation Bonds	$ 201,764,579	$ 183,515,056	$ 187,493,295	$ 165,534,662	$ 142,845,624	$ 145,969,279	$ 167,508,490	$ 201,698,826	$ 240,761,412	$ 328,691,236
Certificates of Obligation	56,061,573	67,278,178	65,614,844	87,129,637	103,274,963	107,105,467	114,767,952	126,191,407	144,248,461	164,254,086
Less: Amount Available in Debt Service Fund	4,578,281	4,578,281	5,239,767	5,304,131	4,348,225	5,720,083	7,422,565	4,645,649	3,136,171	121,668
Total	253,247,871	246,214,953	247,868,372	247,360,168	241,772,362	247,354,663	274,853,877	323,244,584	381,873,702	492,823,654
Percentage of Estimated Actual Taxable Value of Property	2.43%	2.22%	2.01%	1.84%	1.62%	1.54%	1.71%	1.80%	1.84%	2.09%
Per Capita	1,080	1,044	1,047	1,038	1,009	1,018	1,117	1,306	1,535	1,971
Internal Services										
General Obligation Bonds	$ 1,561,225	$ 1,287,166	$ 5,943,831	$ 5,555,243	$ 18,534,641	$ 16,674,844	$ 14,786,596	$ 12,959,334	$ 11,102,673	$ 9,211,526
Certificates of Obligation	26,167,129	25,940,730	19,695,033	17,994,195	3,749,604	4,554,045	4,137,057	6,199,512	7,312,150	7,766,983
Total	27,728,354	27,227,896	25,638,864	23,549,438	22,284,245	21,228,889	18,923,653	19,158,846	18,414,823	16,978,509
Percentage of Estimated Actual Taxable Value of Property	0.27%	0.25%	0.21%	0.18%	0.15%	0.13%	0.12%	0.11%	0.09%	0.07%
Per Capita	118	115	108	99	93	87.39	76.87	77.38	74.01	67.89
Total Governmental Activities										
General Obligation Bonds	$ 203,325,804	$ 184,802,222	$ 193,437,126	$ 171,089,905	$ 161,380,265	$ 162,644,123	$ 182,295,086	$ 214,658,160	$ 251,864,085	$ 337,902,762
Certificates of Obligation	82,228,702	93,218,908	85,309,877	105,123,832	107,024,567	111,659,512	118,905,009	132,390,919	151,560,611	172,021,069
Less: Amount Available in Debt Service Fund	4,578,281	4,578,281	5,239,767	5,304,131	4,348,225	5,720,083	7,422,565	4,645,649	3,136,171	121,668
Total	280,976,225	273,442,849	273,507,236	270,909,606	264,056,607	268,583,552	293,777,530	342,403,430	400,288,525	509,802,163
Percentage of Estimated Actual Taxable Value of Property	2.69%	2.47%	2.22%	2.01%	1.77%	1.67%	1.83%	1.91%	1.93%	2.16%
Per Capita	1,198	1,159	1,155	1,137	1,102	1,106	1,193	1,383	1,609	2,038
BUSINESS-TYPE ACTIVITIES										
General Obligation Bonds	$ 48,745,628	$ 38,143,825	$ 28,335,233	$ 18,829,023	$ 10,697,916	$ 11,777,670	$ 698,691	$ 15,823	$ 15,547	$ 15,270
Certificates of Obligation	200,060,219	188,467,493	175,497,335	162,615,617	146,366,550	3,744,894	11,709,534	12,738,890	12,728,755	15,896,456
Total	248,805,847	226,611,318	203,832,568	181,444,640	157,064,466	15,522,564	12,408,225	12,754,713	12,744,302	15,911,726
Percentage of Estimated Actual Taxable Value of Property	2.39%	2.04%	1.65%	1.35%	1.05%	0.10%	0.08%	0.07%	0.06%	0.07%
Per Capita	1,061	961	861	761	655	64	50	52	51	64
Total Primary Government	$ 529,782,072	$ 500,054,167	$ 477,339,804	$ 452,354,246	$ 421,121,073	$ 284,106,116	$ 306,185,755	$ 355,158,143	$ 413,032,827	$ 525,713,889
Percentage of Estimated Actual Taxable Value of Property	5.08%	4.51%	3.87%	3.36%	2.82%	1.77%	1.91%	1.98%	1.99%	2.23%
Per Capita	2,259	2,120	2,016	1,898	1,757	1,170	1,244	1,434	1,660	2,102

This report reflects changes made to the General Obligation Debt column to properly report the total amount of general obligation debt outstanding each year.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

See the Schedule of Demographic and Economic Statistics for population data.

Total tax-supported debt (including commercial paper) is maintained so as not to exceed five percent (5%) of the total assessed valuation of taxable property. The City is currently below the threshold.

City of Garland
Estimated Direct and Overlapping Governmental Activities Debt
September 30, 2024
(unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Garland Independent School District	$ 1,111,765,000	68.78%	$ 764,671,967
Collin County	658,360,000	0.02%	131,672
Collin County Community College District	480,350,000	0.02%	96,070
Dallas County	217,675,000	5.88%	12,799,290
Dallas County Community College District	318,675,000	5.88%	18,738,090
Dallas County Hospital District	543,495,000	5.88%	31,957,506
Dallas Independent School District	4,117,920,000	0.17%	7,000,464
Richardson Independent School District	881,015,000	3.49%	30,747,424
Plano Independent School District	898,035,000	0.50%	4,490,175
Mesquite Independent School District	680,866,377	1.92%	13,072,634
Rockwall County	130,695,000	0.01%	13,070
Rockwall Independent School District	860,277,549	0.01%	86,028
Subtotal, overlapping debt			883,804,390
City direct debt			525,109,722
Total estimated direct and overlapping debt			$ 1,408,914,112

Sources: This statement was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the City, the City has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional bonds since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Garland. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

* The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the overlapping government's taxable assessed value that is within the City's boundaries and dividing it by the government's total taxable assessed value.

City of Garland
Legal Debt Margin Information
September 30, 2024
(unaudited)

As a home rule city, the City of Garland is not limited by the law in the amount of debt it may issue. The City's charter (section 9.1) states:

> The Council shall have power to levy, for general purposes, an ad valorem tax on real, personal, and mixed property within the territory of the City of Garland, not exempt from taxation by the Constitution and laws of the State of Texas, based upon its true value as provided by law, to the extent of the constitutional limit permitted by the State of Texas to cities of over five thousand (5,000) population, and which said tax shall embrace all taxes for municipal purposes.

The City tax rate limitation is $2.50 per $100 assessed value. The tax rate for FY24 is $.6897 per $100.00 assessed value.

City of Garland
Pledged Revenue Coverage
Last Ten Fiscal Years
(unaudited)

Fiscal Year	Electric Utility System Revenue Bonds						Water & Sewer Utility System Revenue Bonds					
	Gross Revenues (1)	Less: Operation & Maintenance Expenses (2)	Net Available Revenue (3)	Average Annual Debt Service (4) Principal	Average Annual Debt Service (4) Interest	Times Coverage (5)	Gross Revenues (1)	Less: Operation & Maintenance Expenses (2)	Net Available Revenue (3)	Average Annual Debt Service (4) Principal	Average Annual Debt Service (4) Interest	Times Coverage (5)
2015	$ 341,110,573	$ 283,279,931	$ 57,830,642	$ 8,516,316	$ 3,446,312	4.83	$ 101,420,086	$ 60,211,698	$ 41,208,388	$ 10,383,684	$ 3,280,082	3.02
2016	281,736,385	215,335,038	66,401,347	8,501,667	3,238,345	5.66	108,715,199	64,324,054	44,391,145	10,266,667	3,001,013	3.35
2017	282,850,756	214,058,309	68,792,447	8,972,750	3,549,664	5.49	108,584,843	68,288,444	40,296,399	9,820,000	2,673,950	3.23
2018	291,082,253	222,169,714	68,912,539	6,498,500	2,898,333	7.33	121,117,757	75,803,079	45,314,678	10,067,250	3,366,458	3.37
2019	308,374,453	182,328,918	126,045,535	10,906,333	6,573,272	7.21	124,177,631	75,537,223	48,640,408	10,109,211	3,062,276	3.69
2020	304,193,708	187,470,836	116,722,872	16,012,833	8,699,056	4.72	128,696,808	77,761,673	50,935,135	10,114,000	3,059,411	3.87
2021	365,705,970	269,888,150	95,817,820	23,723,833	12,807,069	2.62	125,625,847	78,874,719	46,751,128	10,355,500	2,892,723	3.53
2022	357,131,714	276,158,778	80,972,936	23,660,345	12,256,653	2.25	137,971,586	81,528,324	56,443,262	11,407,750	3,536,372	3.78
2023	396,561,469	295,998,693	100,562,776	24,357,167	12,991,807	2.69	150,041,750	84,975,910	65,065,840	11,890,000	4,059,283	4.08
2024	405,899,874	254,436,794	151,463,080	24,184,310	12,419,605	4.14	156,332,608	89,613,720	66,718,888	12,778,500	4,593,726	3.84

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements.
(1) Gross revenue includes all operating and non-operating revenues.
(2) Operations and maintenance expenses includes all reported operating expenses less depreciation, amortization of other assets, and the actuarial determined pension and OPEB expenses reflected under the salaries and benefits line item of the financial statements.
(3) Net available revenue represents gross revenues of the system less the operation and maintenance expenses incurred during the fiscal year.
(4) Average annual debt service for all outstanding prior lien revenue bonds and outstanding revenue bonds similarly secured.
(5) The Electric and Water & Sewer bond ordinances require that net available revenues of the systems be at least 1.25 times the average annual principal and interest requirements.

Table 15

City of Garland
Demographic and Economic Statistics
Last Ten Fiscal Years
(unaudited)

Fiscal Year	Population	Personal Income (000's)	Per Capita Personal Income	Median Age	Education Level in Years of Formal Schooling	School Enrollment	Unemployment Rate
2015	234,533	$ 5,080,219	$ 21,661	33.4	12.9	58,000	4.0%
2016	235,885	5,366,620	22,751	33.8	12.9	55,100	3.8%
2017	236,786	5,611,118	23,697	34.5	12.9	57,000	3.3%
2018	238,293	5,519,819	23,164	35.3	12.9	56,471	3.4%
2019	239,684	5,827,437	24,313	34.1	12.9	56,471	3.1%
2020	242,914	6,148,153	25,310	34.3	12.9	55,848	7.4%
2021	246,173	6,230,639	25,310	34.1	12.9	55,848	4.4%
2022	247,590	6,799,812	27,464	33.1	12.9	52,355	3.4%
2023	248,822	7,497,505	30,132	34.2	12.9	52,355	3.8%
2024	250,099	7,872,366	31,477	34.4	12.9	51,659	3.7%

Sources: City of Garland, Texas - Planning Department, U. S. Census, Garland Independent School District, Garland Chamber of Commerce, and Texas Employment Commission

City of Garland
Principal Employers
Current Year and Nine Years Ago
(unaudited)

	2024			2015		
Employer	**Employees**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Rank**	**Percentage of Total City Employment**
Kraft Foods	796	1	0.62%	-		-
US Food Service	520	2	0.40%	500	4	0.43%
Epiroc	460	3	-	-		-
Anderson Windows	425	4	0.33%	-		-
Hatco (Resistol)	390	5	-	372	7	0.32%
L3 Communicatoin	350	6		-		-
Arrow Fabricated Tubing	340	7	0.26%	-		-
Valspar	300	8	0.23%	-		-
KARLEE, Inc	290	9	0.23%	451	6	0.39%
General Dynamics	275	10	0.21%	-		-
Raytheon E-Systems	-		-	2,200	1	1.89%
Wal-Mart Super Centers	-		-	1,250	2	1.07%
Atlas Copco	-		-	727	3	0.62%
APEX Tool Group	-		-	467	5	0.40%
Home Depot	-		-	339	8	0.29%
Prestige Ford	-		-	310	9	0.27%
Plastipak Packaging	-		-	269	10	0.23%
	4,146		3.75%	6,885		5.91%

Sources: City of Garland, Texas - Tax Office & Texas Workforce Commission, Labor Market Information

2024 excludes retail employers and government entities.

City of Garland
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years
(unaudited)

	Full-time Equivalent Employees as of December 31									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function										
General Government	356	362	370	382	388	389	397	409	419	440
Police										
Sworn (civil service)	323	334	337	348	355	354	354	359	359	357
Non-Sworn (non-civil service)	133	133	133	133	133	134	141	146	146	150
Fire										
Sworn (civil service)	254	254	254	257	264	264	264	267	276	285
Non-Sworn (non-civil service)	7	7	7	7	7	7	7	7	7	7
Culture and Recreation	160	160	160	162	164	163	163	164	163	173
Internal Services	252	253	254	256	262	256	255	256	259	267
Electric	251	251	251	251	235	235	235	235	234	234
Water	64	63	65	65	65	66	66	68	67	71
Sewer	99	100	102	102	102	101	101	103	105	106
Sanitation	87	87	87	90	97	99	98	102	103	103
Stormwater Management	24	24	24	24	24	24	24	24	24	24
Golf	16	16	16	29	29	28	28	28	28	28
Special Revenue	39	41	42	41	40	40	41	48	55	56
Total FTE Employees	2,065	2,085	2,102	2,147	2,165	2,160	2,174	2,216	2,245	2,301

Source: City of Garland Budget Office

City of Garland
Operating Indicators by Function
Last Ten Fiscal Years
(unaudited)

Table 18

	Fiscal Year									
	2015	**2016**	**2017**	**2018**	**2019**	**2020 ***	**2021**	**2022**	**2023 ****	**2024**
Function										
Police										
Physical arrests	9,741	9,151	9,287	8,942	9,731	5,641	5,527	6,471	6,528	6,558
Citations issued	51,924	51,864	60,147	53,737	59,797	38,555	41,497	42,918	45,939	46,068
Fire										
Number of calls answered	22,036	23,058	24,312	25,159	25,439	25,730	29,538	29,131	29,643	30,721
Business Inspections	3,821	5,701	9,105	7,491	5,055	4,955	3,277	5,074	3,224	6,001
Highways and streets										
Street resurfacing (miles)	21	23	49	36	35	37	33	39	38	17
Service maintenance requests	2,573	2,485	2,041	2,796	3,643	2,613	1,641	2,326	2,940	4,092
Parks and recreation										
Performing arts center attendance	161,346	148,241	151,000	149,000	155,000	79,399	48,186	96,296	110,854	131,138
Recreation center attendance	1,367,403	1,455,784	1,248,000	1,185,000	1,109,000	575,826	521,325	1,129,297	922,338	902,647
Library										
Volumes, items, or physical units	363,784	361,733	361,277	357,672	665,737	637,315	369,141	338,394	233,790	175,345
Number of Library circulation transactions	1,516,250	1,398,209	1,290,241	1,169,855	1,113,486	576,609	824,941	789,109	746,031	756,493
Electric										
Number of accounts	69,491	69,533	69,929	70,964	71,647	72,295	73,607	74,180	74,889	76,337
Average daily usage (KWH)	5,470,273	5,272,563	5,170,775	5,480,345	5,352,577	5,363,593	5,261,027	5,797,409	5,638,972	5,584,337
Water										
New connections	177	281	132	199	225	607	323	139	128	99
Water main breaks	344	206	144	264	171	201	201	201	261	267
Average daily consumption (thousands of gallons)	26,624	27,315	27,769	29,808	29,249	31,736	30,412	30,905	31,547	31,730
Sewer										
Average daily sewage treatment (millions of gallons)	39	33	34	37	46	41	39	34	39	35

Sources: Various City departments

* FY20 statistics are impacted by closures related to the Covid 19 pandemic. Various departments experienced periodic closures to ensure the safety of the public.

** FY23 statistics for the Library were impacted by the closure of the Central Library due to renovations.

City of Garland
Capital Asset Statistics by Function
Last Ten Fiscal Years
(unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	123	123	122	122	122	155	155	155	155	155
Fire Stations	11	11	11	11	11	11	11	11	11	11
Highways and streets										
Streets (miles)	700.00	700.00	702.78	703.64	703.64	703.64	706.84	706.84	706.84	706.84
Streetlights	13,798	14,364	14,418	14,335	14,197	14,138	14,101	14,157	14,194	14,293
Traffic signals	192	193	192	192	193	194	196	194	198	199
Parks and recreation										
Parks acreage	2,880	2,880	2,880	2,880	2,880	2,880	2,880	2,880	2,880	2,880
Parks	63	63	63	63	63	63	63	63	63	63
Swimming pools	4	4	4	4	4	4	3	3	3	3
Tennis courts	35	35	35	35	35	35	35	35	35	35
Recreation centers	6	6	6	6	6	6	6	6	6	6
Electric										
Substations	28	29	31	32	33	36	35	33	34	34
Miles of service lines	1,179	1,190	1,195	1,276	1,283	1,310	1,314	1,314	1,322	1,330
Maximum resource capacity (MW)	530.0	530.0	530.0	523.0	523.0	523.0	529.0	451.0	451.0	451.0
Water										
Water mains (miles)	1,122	1,126	1,130	1,135	960	967	972	975	980	981
Fire Hydrants	8,365	8,411	8,465	8,529	8,672	8,752	8,824	8,857	8,914	8,933
Maximum daily capacity (millions of gallons)	225	225	225	225	225	225	225	225	225	225
Sewer										
Sanitary sewers (miles)	1,006	1,008	1,010	1,011	895	900	902	903	906	907
Maximum daily flow (MGD)	135	111	76	143	121	125	106	102	93	104
Maximum daily treatment capacity (millions of gallons)	64	64	64	64	64	64	64	64	64	64

Sources: Various City departments

Texas Municipal Power Agency
Condensed Financial Information
September 30, 2024

		Amount in (000's)
Total assets	$	225,091
Total liabilities		233,053
Total deferred inflows of resources		5,190
Total net assets		(13,152)
Total liabilities and net assets	$	225,091
Total operating revenues	$	36,891
Total operating expenses		15,728
Income from operations		21,163
Total other income(expenses)		6,664
Total interest charges		(4,835)
Deferred cost		(400)
Refunds to member Cities		(10,538)
Change in net assets		12,054
Gain on sale of plant		-
Net assets - beginning balance		(25,206)
Net assets - ending balance	$	(13,152)

Source: TMPA Annual Comprehensive Financial Report

City of Garland
Schedule of Insurance in Force
September 30, 2024
(unaudited)

Insurance Company	Policy Number	From	To	Description	Deductible	Limits
Medical Professional Liability						
Evanston Insurance Company	MKLV2PSM001831	04/02/2024	10/01/2024	Medical Professional Liability	$ 2,500	$1M/$3M
Evanston Insurance Company		10/01/2024	10/01/2027	Extended Reporting Period	$ 2,500	$1M/$3M
AIG Cyber Insurance	01-568-00-58	10/01/2023	10/01/2024	Cyber Liability	$ 150,000	$1M/$1M
National Union Fire Insurance Company	01-548-27-38	10/01/2023	10/01/2024	Commercial Crime Coverage	$ 100,000	$1M
Great American Insurance Company	IMP E775675 03	10/01/2023	10/01/2024	Contractors Equip. & Over the Road	Various Fleet Cat	$ 68,141,082 $ 10,000,000
Property Insurance Carriers					Various	$250M
Zurich Energy	PWG1700821-00	03/01/2024	03/01/2025	Primary $250M (31.5%)		$ 78,750,000
AIG/ National Union Fire	62502678	03/01/2024	03/01/2025	Primary $250M(15%)		$ 37,500,000
Lloyds HDI Global	B0775CPC410424	03/01/2024	03/01/2025	Primary $250M(4%)		$ 10,000,000
Lloyds/ Rokstone	B0775CPC410624	03/01/2024	03/01/2025	Primary $50M(3%)		$ 3,295,000
Lloyds/ Argenta	B0775CPC410524	03/01/2024	03/01/2025	$200M x $50M (4.15%)		$ 8,300,000
Lloyds/ KILN 1880, APL 1969, KI 1618, TAL	B0775CPC410824	03/01/2024	03/01/2025	Primary $50M (23%)		$ 11,500,000
Lloyds/ WRB	B0775CPC431724	03/01/2024	03/01/2025	Primary $50M (4%)		$ 2,000,000
Lloyds/ IQUW	B0775CPC431624	03/01/2024	03/01/2025	Primary $50M (4%)		$ 2,000,000
Lloyd/ DUW 1729 & MRS 0457	B0775CPC410924	03/01/2024	03/01/2025	Primary $50M (5%)		$ 2,250,000
Lloyds/ Hiscox	B0775CPC411524	03/01/2024	03/01/2025	Primary $50M (4%)		$ 2,000,000
Lloyds/ ARK 4020	B0775CPC411024	03/01/2024	03/01/2025	$25,000,000 Primary (7%)		$ 1,750,000
Lloyds/ NOA 3902	B0775CPC411324	03/01/2024	03/01/2025	$25,000,000 Excess $25,000,000 (7%)		$ 1,750,000
Lloyds/ Fidelis	B0775CPC412724	03/01/2024	03/01/2025	$50,000,000 Excess $50,000,000 (29%)		$ 14,500,000
Lloyds/ MAP 2791	B0775CPC412924	03/01/2024	03/01/2025	$50,000,000 Excess $50,000,000 (13%)		$ 6,250,000
Lloyds/ Atrium 0609, KI 1618	B0775CPC411424	03/01/2024	03/01/2025	$200,000,000 Excess $50,000,000 (4%)		$ 7,700,000
Lloyds/Chubb Europe	B0775CPC378424	03/01/2024	03/01/2025	$150,000,000 Excess $100,000,000 (42%)		$ 62,250,000
Axis	P-001-001372511-01	03/01/2024	03/01/2025	$10,000,000 Primary (13%)		$ 1,300,000
Lexington	062502678	03/01/2024	03/01/2025	$50,000,000 Primary (15%)		$ 7,500,000
StarStone	CSP00086707P-00	03/01/2024	03/01/2025	$50,000,000 Primary (10%)		$ 5,000,000
RSUI/Landmark	LHD940745	03/01/2024	03/01/2025	$50,000,000 Primary (16%)		$ 7,750,000
Arch	ESP1008972-02	03/01/2024	03/01/2025	$40,000,000 Excess $10,000,000 (13%)		$ 5,200,000
Palomar Specialty	CENPP-22-2023339-00	03/01/2024	03/01/2025	$25,000,000 Excess $50,000,000 (55%)		$ 13,662,500
Intact/Homeland	795025252	03/01/2024	03/01/2025	$75,000,000 Excess $75,000,000 (54.65%)		$ 40,987,500
Markel Insurance Company	MKP0000501309000	12/06/2023	12/06/2024	Special Events Liability	None	$1M/$5M
Excess General Liability Carriers						
Princeton Excess and Surplus Lines Insurance Company	64-A3-EX-0000073-01	10/01/2023	10/01/2024	$5M x $750K	$ 750,000	$5M/$5M
Hudson Excess Insurance Company	GAXS 000078-00	10/01/2023	10/01/2024	$5M x $5M	$ 5,000,000	$5M/$5M
HDI Global Specialty SE	IU35X000045-01	10/01/2023	10/01/2024	$5M x $10M	$ 5,000,000	$5M/$5M
Genesis	IXG675643A	10/01/2023	10/01/2024	$5M x $15M	$ 5,000,000	$5M/$5M
Westchester Surplus Lines Insurance Company	G47381290 001	10/01/2023	10/01/2024	$5M x $20M	$ 5,000,000	$5M/$5M
Upland	USXPE0457123	10/01/2023	10/01/2024	$5M x $25M	$ 5,000,000	$5M/$5M
Travelers Property Casualty Company of America	BME1-8S165874-TIL-23	10/01/2023	03/01/2024	Boiler & Machinery Coverage	$25,000 $100,000	$1M
Safety National Casualty Corporation	SP 4067399	10/01/2023	10/01/2024	Excess Workers Compensation	$ 750,000	Statutory/$1M
Lloyds of London (THB)	B0775CPV101623	03/01/2024	02/28/2025	Terrorism Insurance Coverage	$ 25,000	$ 250,000,000
Mount Vernon Fire Insurance Company	LQ 2008467A	10/01/2023	10/01/2024	Liquor Liability Insurance Coverage	$ -	$500K/$1M

Sources: City of Garland Risk Management Department